

Akums Drugs & Pharma

10 August 2026

Operator: Good day, ladies and gentlemen. Welcome to the Akums Drugs & Pharmaceuticals Ltd. Q1 FY27 earnings conference call. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Umesh Laddha. Thank you, and over to you, sir.

Umesh Laddha: Good afternoon, everyone. On behalf of Ambit Capital, I thank the management of Akums Drugs & Pharmaceuticals Ltd. for the opportunity to host its Q1 FY27 earnings conference call. Joining us from management today are Mr. Sandeep Jain, Managing Director; Mr. Sumit Sood, CFO; and Mr. Sahil Maheshwari, Head of Strategy. We will now begin with the opening remarks from management, after which the forum will be open for the question-and-answer session. Thank you, and over to you, Ankit sir.

Ankit Jain – Head Investor Relations: Thank you, Umesh, for the introduction. Good afternoon, everyone, and welcome to Akums' Q1 FY27 earnings call. I am Ankit Jain, and I head Investor Relations at Akums Drugs & Pharmaceuticals Ltd. I will begin with a standard disclaimer that any discussion on today's call might include certain forward-looking statements that are predictions or projections of future events. Our business faces several risks and uncertainties that could cause our results to differ materially from what is expressed or implied in such statements. At Akums, we do not undertake any obligation to publicly update any forward-looking statements, whether as a result of new information, future results, or otherwise. I hope you have had the opportunity to go through our financial reviews and our investor presentation, which was shared on Saturday. I would now like to hand over to our Managing Director, Mr. Sandeep Jain, to discuss this further. Thank you.

Sandeep Jain – MD: Hello, everyone, and thank you for joining us today for our Q1 FY27 earnings call. With Q1 FY27, we have begun FY27 on a strong and encouraging note. We registered healthy revenue growth of over 13%, with EBITDA increasing by more than 30%. The growth was primarily led by the CDMO segment, characterized by double-digit volume growth along with an improvement in API prices. The consistent performance of CDMO showcases a healthy demand environment as well as our clients' trust in Akums as their preferred manufacturing partner. The marketing segment, both domestic and exports, saw muted quarterly performance. With multiple initiatives underway, we are confident that these segments will return to the growth path in the coming quarters. Our API and trade generic segments performed in line with our prior guidance. With the Zambia order likely to be reflected during the current financial year, Akums is well placed to deliver a robust operating performance during FY27.

On July 23, we announced the acquisition of Oriflame India's manufacturing business. The transaction covers two manufacturing facilities, one at Roorkee, Uttarakhand, and the other at Noida, Uttar Pradesh, along with a leased warehouse situated at Noida, Uttar Pradesh. With this acquisition, we are expanding our manufacturing footprint in skincare, cosmetics, and wellness products. This is in line with our strategy of tapping into niche formulations to improve our position among existing as well as prospective clients and augment our margins.

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Coming to the operating performance for the quarter, CDMO once again delivered healthy top-line growth of over 18%, aided by both volume growth and an improvement in API prices. The API segment continued on its journey toward becoming EBITDA positive, as a higher share of {? non-CIPA ?} products led to better gross margins. The trade generic segment remained EBITDA positive during the quarter. Akumentis, our domestic branded formulation segment, restarted its growth journey with healthy revenue growth of 7% during the quarter. Margins were impacted due to an increase in employee strength. We expect improved performance from the segment from {? Q3 ?} onwards. Our international branded formulation business had a muted quarter but is expected to return to growth, as we remain confident about the structural attractiveness of our chosen geographies. I shall now request our CFO, Mr. Sumit Sood, to take you through the detailed financials. Over to you, Mr. Sumit.

Sumit Sood – CFO: Thank you, sir. Thank you, Sandeep. Good afternoon, everyone. I would now take you through the financial highlights for the quarter ended June 30, 2026. Our operating revenues stood at 1,167 crores, an increase of 13.9% year-on-year. In Q1 FY26, revenue was 1,024 crores, an increase of 0.8% quarter-on-quarter. In Q4 FY26, our revenue was 1,158 crores.

Operating EBITDA for the quarter was 175 crores, an increase of 35.4% year-on-year. In Q1 FY26, our EBITDA was 129 crores, an increase of 15.1% quarter-on-quarter. In Q4 FY26, our EBITDA was 152 crores. Margins were robust at 15%, improving by 230 basis points year-on-year. In Q1 FY26, we were at 12.6%, and there was an improvement of 187 basis points quarter-on-quarter. In Q4 FY26, we were at 13.1%.

EBITDA including other income stood at 205 crores, increasing by 31.7% year-on-year. In Q1 FY26, we were at 156 crores, an increase of 9.6% quarter-on-quarter. In Q4 FY26, we were at 187 crores. EBITDA margins stood at 17.1%, increasing by 231 basis points year-on-year. In Q1 FY26, we were at 14.8%, and in Q4 FY26, we were at 15.7%.

The PAT of the company stood at 101 crores, an increase of 56.1% year-on-year. We were at 65 crores in Q1 FY26, an increase of 24.1% quarter-on-quarter. In Q4 FY26, we stood at 81 crores.

If we look at the various segments and their performance, starting with CDMO, revenues stood at 964 crores, an increase of 18% year-on-year. We were at 813 crores in Q1 FY26, an increase of 1.3% quarter-on-quarter. In Q4 FY26, we were at 952 crores. Revenue growth was driven by healthy volume growth and a rebound in API prices. In Q2 as well, API prices seem to be on an increasing trend. EBITDA for the quarter stood at 163 crores, an increase of 36.8% year-on-year. In Q1 FY26, it stood at {? 119 crores ?}.

Sahil: 119 crores, an increase of 19% quarter-on-quarter. In Q4 FY26, it was 137 crores. The margins were further aided by improved capacity utilization.

Domestic branded formulations stood at 115 crores, an increase of 7.3% year-on-year and an increase of 12.9% quarter-on-quarter. EBITDA for the quarter was 12 crores, a decline of 25.4% year-on-year and a decrease of 46.5% quarter-on-quarter.

For the international branded formulation business, revenue stood at 35 crores, a decline of 1.5%. In Q1 FY26, we were at 35 crores, and there was a decline of 3.6% quarter-on-quarter. In Q4 FY26,

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revenue stood at 36 crores. EBITDA for the quarter stood at 6.9 crores, a decline of 14.4% year-on-year and a decline of 31% quarter-on-quarter.

API revenue stood at 32 crores, a decline of 29.7% year-on-year. In Q1 FY26, it was 45 crores, and there was a decline of 22.3% quarter-on-quarter. In Q4 FY26, revenue stood at 41 crores. EBITDA for the quarter was at minus 4 crores. The losses were lower than in Q1 FY26, which stood at minus 6 crores, as well as in Q4 FY26, which stood at minus 12 crores. This was largely driven by an increase in the non-cefa product mix.

{? Revenue stood at 45 crores ?}, an increase of {? 31% ?} year-on-year and a decrease of 23.4% quarter-on-quarter. EBITDA continued to remain {? positive ?} for the second quarter in a row. It was generally higher than the break-even of 0.1 crore, compared to minus 5 crores in Q1 FY26 and 1.1 crores in Q4 FY26.

Our balance sheet continues to remain very healthy, with a cash surplus of 1,616 crores. The operating cash flow for the company in Q1 stood at 65 crores. This concludes the financial highlights for the quarter. I would request the moderator to open the forum for the question-and-answer session. Thank you, everyone.

Operator: Thank you very much. We will now begin with the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone phone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Vivek Agarwal from Citi Group. Please go ahead.

Vivek Agarwal – Citi Group: Thank you for the opportunity, and congratulations on the set of numbers. On the CDMO segment, is it possible for you to highlight how we should think about overall growth in terms of volume and value this year as well as next year? Second, can you also give us some color on the margin trajectory? Thank you.

Sahil: Sure. Hello, everyone. Vivek, if you look at the volume for Q2, it looks healthy, in the high teens at least for this quarter. If the momentum continues, we can update you on how the rest of the year progresses, but based on the visibility we have today, Q2 also looks extremely encouraging. API prices are volatile, but at this point they are volatile and moving upwards. Practically, if you look at it, Q2 also looks steady, and we expect to end this year on a good note as well.

Vivek Agarwal – Citi Group: Understood. Any color on the margin trajectory?

Sahil: Margins are expected to remain at similar levels. We have always guided for a 14–15% margin range. Obviously, as we have always discussed, it is difficult to gauge the business quarterly, but overall, at an annual level, we expect margins to remain in the 14–15% range. Given that Q1 has been strong, we can lean toward the upper bracket of that range.

Vivek Agarwal – Citi Group: Understood. Q1 margins are on the higher side. This is a kind of aberration, right?

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Sahil: As I said, the price of API was also high, and if you remember, in Q4 we had built some inventory to protect ourselves. These were strategic calls that we took, which helped us secure our margins.

Vivek Agarwal – Citi Group: Understood. Lastly, can you help us understand, Sahil, what initiatives you are taking in branded formulations, specifically in domestic and international formulations, and how we should look at the growth trajectory in these markets as well? Thank you.

Sahil: I will quickly touch on both of these segments. First is domestic branded, Akumentis. As was mentioned in the initial note, we have added almost 200 people to our field force to tap adjacent headquarters that are important and where we can tap some growth. The focus here remains on how we expand our presence in the prescription business. The focus still remains on our key-performing therapies, which are gynecology, cardiology, and pediatrics. We also have a presence in orthopedics and dermatology, which are smaller segments. That remains our focus within the Akumentis business, and we are very positive that over the next 2–3 years this will be a key segment for the company, both in terms of topline and profitability.

On Unosource, while this quarter was muted, we see good growth in orders in the coming quarters. The strategy we are taking is twofold. First, while we say we are present in more than 60 geographies, these are our core-focus markets, or whatever we call them, that we need to drill down into. There are a few sets of markets that we have discussed as focus markets, where most of our time, energy, and resources will go. Secondly, the product portfolio is also important. We are filing niche, first-to-launch products in various markets, which will help us build a sticky, high-margin business.

Vivek Agarwal – Citi Group: Understood. What exactly impacted the growth of the segment in this quarter?

Sahil: In Akumentis, if you look at it, topline growth was there, but bottom-line growth was not there, given that most of the additional EBITDA drain we had in Q1 was largely on account of the almost 200 members of the field force. That is almost a 15% increase in our field force. In the initial quarters, as you rightly understand, you do not generate PCP from that, so that was a drain on our EBITDA.

On Unosource, that was one quarter where we saw limited results, but from Q2 and Q3 onwards, we will have the growth back on track.

Vivek Agarwal – Citi Group: Perfect. Thank you. That is all from me.

Sahil: Operator, next questions please.

Operator: The next question is from Pooja.

Pooja: Hello, sir. I wanted to ask: with IPM growth accelerating, what is your outlook on volume growth for FY27, and what else can you tell us about it?

Sahil: Pooja, thank you for the question. If you recollect, in Q3 of last year, Q4 of last year, and Q1 of this year, we saw volume growth in the high teens. Q2 also looks strong, in the high teens. While

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volume growth in the IPM has been in the range of 2–3%, along with the new launches, this has always been the key driver for our businesses. Particularly over the last year, this has been the key lever for our growth. While this could be a period in which we have sizeable volume growth, we remain confident that our volume growth will at least stay in double digits in the coming quarters.

Pooja: Okay, sir. Thank you.

Sahil: Next question, please. The next question is from Anchal Maheshwari.

Anchal Maheshwari – Naredi Investment: Hi. I have one question on your domestic growth. Can you give us a mix of how much was volume growth and how much was value growth? Also, are we planning any price increases for our domestic business this year?

Sahil: The growth has been driven by a mix of new product launches, price growth, and volume. Given that growth is only around 7%, all three have contributed to this topline growth. As far as price growth is concerned, we have already taken price increases, and this will also be reflected as we move through this quarter.

Anchal Maheshwari – Naredi Investment: Sir, is it possible to quantify the numbers?

Sahil: No.

Anchal Maheshwari – Naredi Investment: Okay.

Operator: Thank you. The next question is from the line of Sangeeta from Cogito. Please go ahead.

Andre – Cogito: Hello, this is Sangeeta's partner, Andre. First of all, congratulations on the great set of numbers. My first question is on API. This is a question my partner keeps asking: is there a timeframe within which we will evaluate whether we want to continue with this business? That is my first question.

Sahil: Management is fully confident. This is a business we have been investing in for over 3–4 years now, and the fruits of that investment are very visible as we speak. The quarterly losses have been gradually coming down. As of now, we are fully committed to this business. In our cefa business, we have been able to move out of low-margin products and increase our basket of non-cefa products, including linezolid, montelukast, and others, which are helping us improve our margins. At this point, it is not a question of whether we make a U-turn from here. It is about how we improve profitability and scale this business into a profitable venture.

Andre – Cogito: I would just like to give some feedback as a minority shareholder. As minority shareholders, we would be delighted if we actually got rid of this business. You have an absolutely outstanding CRAMS business, and you also have a lot of traction in the export business. If you were to focus on that, it would delight us. This is just a comment that I wanted to make.

Sahil: No, fair point. I think we work in the best interest of the shareholders and the company. Whether one is a minority or majority shareholder, we take decisions that are best for the company in terms of capital allocation as well as management bandwidth.

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Andre – Cogito: As far as the Europe and Zambia businesses are concerned, I think you had given guidance of 15–17% EBITDA margins for Zambia. Do you now have any actual numbers to share with us in terms of EBITDA margins, and is there any updated margin guidance that you can give us on the European business?

Sahil: Regarding both Zambia and Europe, these margins will be similar to, or perhaps slightly higher than, the high teens compared to our current CRAMS business. That is what we can say as of now. Zambia is {? [unclear] ?}.

Management: This is something we expect in H2, and we will deliver for this fiscal year the \$25 million, which will roughly translate to 240 crores in revenue, and similarly in the next financial year as well. In the next financial year, we will kickstart our European business as well. Both of these businesses will uplift the corporate margins.

Andre – Cogito: As far as the capacity utilization strategy is concerned, you have always invested in a lot of capacity and believed in having a lot of spare capacity. Having said that, utilization has gone up in the previous quarter. Going forward, what is your strategy going to be? Can we look forward to better capacity utilization, or will you continue with your strategy of having a lot of spare capacity because that gives you a competitive edge over others?

Management: Our style has always been to be prepared for market opportunities. If you look at it, Q2 was a weak volume quarter last year, and then in Q3 we suddenly had almost high-teens, or around 20%, volume growth. This was again seen in Q4 and again in Q1. Our spare capacity was of real help. As we have always said, we could move up to 55%, 58%, or 60% as our total peak utilization. We are already at {? 50 odd percent ?}. The strategy remains the same. Given the continuous focus on better-quality drugs in the market, there are increasing opportunities for volume growth, and we are in the process of further expanding our capacity.

Andre – Cogito: Last time, we spoke about the need to recruit a certain amount of senior talent. Where are we on that front, either in terms of people actually coming on board or senior talent being in the process of being onboarded?

Management: Regarding senior talent, I do not know which conversation you are referring to, but the company today is very well run by professionals across all domains, including quality, R&D, business development, and so on. There is always a need in an organization to bring in fresh talent, but as of now, given the numbers that you can see in our financials as well, there is ample leadership and talent in place. We also rely significantly on our homegrown leadership. We are fully ready. We have seen orders across Zambia, Europe, and domestic volume growth. Across all fronts, we have strong industry talent that remains with us.

Andre – Cogito: Last time, we spoke about the fact that a lot of your people are 12th-grade pass, and that there is perhaps a need to adopt more educated, experienced, and senior talent. That is the context in which I was making the point.

Management: I do not think that kind of conversation ever happened. We do have MPharms, PhDs, and doctorates, and you will find that we have one of the best percentages of pharmaceutical graduates and postgraduates if you compare us with the rest of the industry.

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Andre – Cogito: Okay. Okay. Thank you. Thank you.

Andre – Cogito: This is also feedback that we have received. I think it was shared one-on-one with someone. This is feedback that has also been given to us by some former employees. That is why I am taking the liberty of sharing it.

Management: No problem. You can ask anything, but we do have many PhDs, MPharms, and MScs; all doctorates are represented. All the heads are from top industry companies such as Dr. Reddy's, Sun, and others.

Andre – Cogito: Right. Okay. Thank you.

Operator: Thank you. Ladies and gentlemen, to ensure that management is able to address questions from all participants, please limit your questions to two per participant. I repeat, please limit your questions to two per participant. The next question is from the line of Bhavin Chheda from Enam Holdings. Please go ahead.

Bhavin Chheda – Enam Holdings: Good afternoon, sir. Congratulations to the management team on the strong growth numbers. Zambia was supposed to start from Q2 onwards. Has that started?

Management: I think it was always intended for this fiscal year. It may start with some portion in Q3 or Q4. As we speak, we are already at an advanced stage. We have agreed on the volumes and prices with the government there for more than 100 products that we will supply in Zambia. That is completely on track, and we will recognize the revenue during this fiscal year.

Bhavin Chheda – Enam Holdings: Okay. Regarding the overall net cash number, you mentioned 1,600 crores of cash. Is that correct?

Management: That is net of debt—1,600 crores.

Bhavin Chheda – Enam Holdings: Okay. Thank you very much.

Operator: Thank you. The next question is from the line of Praveen Jayaraman from Avendus Spark Institutional Equities. Please go ahead.

Praveen Jayaraman – Avendus Spark: Good afternoon, sir. Am I audible?

Management: Yes.

Praveen Jayaraman – Avendus Spark: Thank you for the opportunity, and congratulations on a good set of numbers. Sir, can you explain the acquisition that we recently completed? Is it a capability acquisition or a capacity acquisition? What are we seeing there, and how will it add value for us?

Management: If you look at our overall approach to acquisitions, it has always been to enter into novel, niche formulations. Cosmetics, skincare, and color cosmetics are among the fastest-growing segments today, specifically cosmeceuticals. The rationale behind this acquisition is to expand our capacities in skincare and cosmetics, and it will also enable us to enter color cosmetics, which is a fast-growing space. The strength and moat that {? Aegon's ?} has today is formulation R&D. We will build on this to tap additional niche markets within cosmeceuticals, and this will help us expand our

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presence in that area as well. As the overall BBPC market is growing rapidly, our aim remains to serve markets that add meaning to our topline and bottom line.

Praveen Jayaraman – Avendus Spark: Understood. On capacity utilization, a participant had already mentioned that capacity utilization was around 50% and that we can go up to a maximum of 55–60%. With the European and Zambian orders coming in, can we expect some increase in capacity utilization going forward? Would we resort to subcontracting for these low-margin orders, or how are we planning to optimize the orders, given that we have already reached 50% utilization?

Management: There is no concept of subcontracting, honestly. We are in the business of delivering manufacturing volumes to clients. While there may be some portion of the portfolio with low margins, there is no rationalization as such. If you look at it, gross margins today are well above 40%, and we do not really wish to lose any of that business. The business we conduct with many customers is also through a basket approach.

We are in the process of setting up one more facility in Baddi, which will go live toward the end of this financial year. This will significantly boost our oral manufacturing capabilities.

Praveen Jayaraman – Avendus Spark: Sir, what would be the capex for that?

Management: We are still discussing it. As we go live, we will update you.

Praveen Jayaraman – Avendus Spark: So we are adding one more oral manufacturing facility, and we are not resorting to subcontracting. Thank you for that, sir.

Operator: Thank you. The next question is from the line of Akshay Shah from VBD Asset Managers LLP. Please go ahead.

Akshay Shah – VBD Asset Managers: Thank you for the opportunity, sir, and congratulations on the fantastic performance in the CDMO business. My question is regarding the increase in our gross margin by 1.5%. Can you quantify how much is due to the value addition from high-value products and how much is due to inventory gains?

Management: Inventory gains per se would be very limited. Most of the improvement has largely come from the addition of high-value products.

Akshay Shah – VBD Asset Managers: Is this level of gross margin sustainable going forward, plus or minus 0.5%?

Management: Yes, that is the expectation. Within the overall corporate gross margins, there has also been a positive contribution from API gross margins. We used to operate largely at almost 90% or higher gross margins in API, whereas in this quarter we were at almost 75% gross margins. This has also been a positive, and obviously CDMO is the torchbearer in taking us forward.

Akshay Shah – VBD Asset Managers: We have done good work in API, where our EBITDA losses are reducing month-on-month. Is this expected to continue going forward, or is there any seasonality involved?

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Management: There is no seasonality. If you look at it, we have been able to do this for 2 quarters. This quarter as well, we are completely in control of it. This is expected to gradually come down, and we should achieve break-even.

Akshay Shah – VBD Asset Managers: Thank you very much, sir, and best of luck for the future.

Management: Thank you.

Operator: Thank you. The next question is from the line of Divya Daga from VGS PL. Please go ahead.

Operator: Divya, you have been unmuted. Please go ahead.

Divya Daga – VGS PL: Am I audible now?

Operator: Yes, you are audible. Please go ahead.

Divya Daga – VGS PL: I have one question. I want to know what the volume growth could be next year and what we are expecting.

Management: Divya, it is very difficult to quantify the volume growth as of now. We have always been significantly better than the market. We expect volume growth in the industry to sustain and continue; this is the feedback we have received. As of now, the expectation is that our volume growth will be at least in the double digits for this year and the rest of the year. As I just mentioned, we are also adding capacity in oral tablets, which should go live by the end of this year. Therefore, volume growth should continue in the foreseeable future.

Divya Daga – VGS PL: Okay, sir. One last question. For our new acquisition, what could its numbers be in the coming years? How big do we see it becoming?

Management: Could you please elaborate?

Divya Daga – VGS PL: How much revenue are we expecting? How big could it get?

Management: Are you referring to this ongoing acquisition or to acquisitions in general?

Divya Daga – VGS PL: In general.

Management: In general. As Pranav mentioned in his opening remarks, we have almost 1,600 crores of cash with us, and the balance sheet is not leveraged. We will look at opportunities from the angle of whether they are value-accretive and make business sense for the group. That is how we will evaluate them. Obviously, we will be cautious about making very large bets, but the opportunity should make business sense, and we have the ammunition and resources to pursue such opportunities.

Divya Daga – VGS PL: Okay. Thank you very much, sir.

Operator: Thank you. Reminder for all participants: please press star and one to ask a question. Participants who wish to ask a question may press star and one. The next question is from the line

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of Abdul Qadir Puranwala from ICICI Securities. Please go ahead.

Abdul Qadir Puranwala – ICICI Securities: Thank you for the opportunity, and congratulations on a good set of numbers. My first question is regarding your CDMO business. With API prices going up, how are we seeing the reactions of our customers in terms of the inventory they are now holding, and how well are we able to pass on the increase to them completely?

Management: There are two parts to this. I will address the second part first. The model has always remained cost-plus. For every purchase order, whatever the prevailing price of the input material is gets passed through.

Regarding inventory, this differs even among similar companies and across markets. Some companies see it as a rising API environment and try to hold inventory, while some wait and pause to see if they can defer their inventory decisions. This inflationary environment started around February or March. We have been in it for almost 5–6 months, and volume growth still continues. Therefore, whatever inventory someone may have planned to build in one quarter would by now have been liquidated. Volume growth is a phenomenon in which secondary demand in the market continues to pick up, and people are used to maintaining normal inventory of 45–60 days, depending on the company's policy. That is the situation.

Abdul Qadir Puranwala – ICICI Securities: Understood. My second question is regarding the API business. I understand that we are trying to improve profitability, and earlier I think we had guided that by the end of FY27 we should turn that segment profitable. Are we still maintaining that guidance? In terms of growth, by FY28 should we see that business starting to report at least single-digit growth?

Management: Absolutely, Abdul. The target is that, at a monthly level, at least by the end of February or March, we should be monthly EBITDA positive in this business. Then, next year, this segment should start contributing positively to the corporate business.

Abdul Qadir Puranwala – ICICI Securities: My last question is regarding the 1,600 crores of cash and short-term investments that you have on the balance sheet. Where is that currently parked? Could you also help us understand how you would spend this—perhaps on dividends or M&A?

Management: I will answer the first part of the question. Most of the money—in fact, 98% of it—is parked in fixed deposits with nationalized banks. The money is safely held with these banks.

There was another question regarding inorganic opportunities. Our net worth is more than 3,400 crores, and there is no debt on the company. As Sahil mentioned, if we find the right acquisition and there are synergies, the company has the appetite and DNA to consider an acquisition. So, Abdul, the money is largely well secured and would be put to good use for business synergies. We continuously explore opportunities, and once we have something, we will let everyone know.

Abdul Qadir Puranwala – ICICI Securities: Understood, sir. Thank you, and all the best.

Management: Thank you.

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Operator: Thank you. Reminder for all participants: please press star and one to ask a question. Participants who wish to ask a question may press star and one.

Operator: The next question is from the line of Akshay Sa from VVD Asset Managers LLP. Please go ahead.

Akshay Sa – VVD Asset Managers LLP: Thank you for the opportunity again, sir. Based on my limited knowledge of the business, our field-force productivity in the domestic formulations business is lower than the industry average for MRs. Now we are increasing the number of MRs. What is the rationale behind this strategy?

Management: As you rightly said, we are lower than the industry-average benchmarks. The strategy has always been to have a strong clinical presence across our focus products. The expansion was intended to help us tap additional geographies, headquarters, and cities through our acute segments.

While PCPM is one metric for evaluating a business, I think it is more of an outcome of a mature marketing business. We are still in the phase of building this business. Therefore, we are cautious about how we invest in the field force and products. As the business scales up, we will certainly move toward the industry averages and hopefully surpass them. At this point, however, we need to appreciate that this is a phase in which we are building the business.

Akshay Sa – VVD Asset Managers LLP: Okay. Thank you very much.

Operator: Thank you. Reminder for all participants: please press star and one to ask a question. As there are no further questions from the participants, I now hand over the conference to Mr. Ankit Jain for his closing remarks. Over to you.

Ankit Jain: Thank you, everyone, for joining the Akums Q1 FY27 earnings call. If you have any remaining questions, you can reach out to the Investor Relations team. Thank you, and have a good day.

Operator: Thank you, everyone. On behalf of Akums Drugs & Pharmaceuticals Ltd., that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.