Date: January 28, 2026

To,
National Stock Exchange of India Limited
BSE Limited
Symbol: NSE: GRANULES: BSE: 532482

Dear Sir,

Sub: Transcript of the Earnings Conference call for Q3 of FY26.
Ref: Our letter dated 08.01.2026 for intimation of the schedule of the Earnings Conference call for Q3 of FY26..

Pursuant to regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the earnings conference call of the Company for Q3 of FY26 is enclosed with this letter and has been uploaded on the website of the Company at the below-mentioned link:

https://granulesindia.com/investors/investor-resources/earnings-call-transcripts/

Kindly take the above information on record.

For GRANULES INDIA LIMITED

CHAITANYA TUMMALA
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CHAITANYA TUMMALA
(COMPANY SECRETARY & COMPLIANCE OFFICER)

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“Granules India Limited

Q3 & 9 Months FY26 Earnings Conference Call”

January 23, 2026

MANAGEMENT: **DR. KRISHNA PRASAD CHIGURUPATI – CHAIRMAN AND MANAGING DIRECTOR – GRANULES INDIA LIMITED**
MS. PRIYANKA CHIGURUPATI – EXECUTIVE DIRECTOR – GRANULES INDIA LIMITED
MR. MUKESH SURANA – CHIEF FINANCIAL OFFICER – GRANULES INDIA LIMITED
DR. P.V. SRINIVAS – CHIEF TECHNOLOGY OFFICER– GRANULES INDIA LIMITED
MR. SANJAY KUMAR – CHIEF STRATEGY OFFICER – GRANULES INDIA LIMITED

MODERATOR: **MS. PRACHI AMBRE – MUFG INVESTOR RELATIONS**

Moderator: Ladies and gentlemen, good day and welcome to Granules India Limited Q3 and 9 Months FY26 Earnings Conference Call hosted by MUFG Investor Relations. 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 call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Ms. Prachi Ambre from MUFG Investor Relations. Thank you and over to you, ma'am.

Prachi Ambre: Thank you, Danish. On behalf of Granules India Limited, I extend a warm welcome to all the participants on the Q3 and 9 months FY26 Financial Results Discussion Call. Today on the call, we have Dr. Krishna Prasad Chigurupati, Chairman and Managing Director; Ms. Priyanka Chigurupati, Executive Director; Mr. Mukesh Surana, Chief Financial Officer; Dr. P.V. Srinivas, Chief Technology Officer and Mr. Sanjay Kumar, Chief Strategy Officer.

Before we begin the call, I would like to give a short disclaimer. This call contains some of the forward-looking statements, which are completely based on our expectations, beliefs and opinions as of today. These statements are not a guarantee of our future performance and involve unforeseen risks and uncertainties.

With this, I would like to hand over the call to Dr. Krishna Prasad sir for his opening remarks. Over to you, sir. Thank you.

K. P. Chigurupati: Thank you, Prachi. Good evening, ladies and gentlemen. Thank you for joining us today and for your continued interest in Granules India. We trust, you have had a chance to review the detailed presentation available on our website. Let me begin with our consolidated performance. Q3 FY '26 has been one of our strongest quarters despite a temporary loss at our Peptide CDMO business.

We reported revenues of INR1,388 crores, a 22% increase year-on-year. EBITDA was INR308 crores, growing 34% over the same period last year. Margins improved meaningfully, driven by disciplined execution and better operating leverage. This momentum reflects the strength of our diversified business model and the progress we are making on multiple strategic fronts.

Regulatory and quality update. Regulatory excellence continues to be a critical priority for us. We made steady progress across all our facilities for this quarter. Gagillapur facility. Our remediation plan remains on track. We held a post-warning letter meeting with the FDA in early January.

We will be submitting the requested documentation shortly. Importantly, to date, the agency has not raised any concerns regarding the adequacy or pace of our corrective action. We expect a formal feedback after our submission and remain confident about the pathway to resolution. As a prudent de-risking measure, we have filed select products from our US and GLS facilities.

The site also received ANVISA Brazil GMP certification, reinforcing the improvement in our quality system. GLS at Genome Valley, the US FDA conducted an unannounced PAS and GMP

inspection from 15th to the 19th of December. We received five observations, none related to data integrity. Our responses were submitted within the stipulated timelines.

Earlier in the quarter, GLS received a PAS approval on 10th November, and an EIR on 11th December, for the inspection held in August. We have also received a CBE 30 approval following the recent inspection. Our GPI facility in USA received EIR on 5th November, closing the PAS inspection from June. GCH, our U.S. packaging site. The U.S. FDA completed a GMP inspection on 4th December with zero Form 483.

Across the network, we continue to advance digitalization of manual operations. Several initiatives are already live at GPI. We expect to complete implementation at Gagillapur by the mid-calendar year, followed by rollout to other sites. While a lot of our consultancy costs have come down, we expect to invest into system enhancements, which will involve some capex and opex over the coming quarters. These steps will strengthen both the reliability and resilience of our operations.

R&D filings. Our R&D and regulatory pipeline progressed well this quarter. We filed 1 EU dossier, which is DCP, 8 new product registrations in rest of the world markets through partners, 4 DMFs in rest of the world countries. Approvals included a tentative U.S. FDA approval for generic Adzenys from GPI, 1 approval in Europe, two approvals in ROW markets, 1 DMF approval in China. Our increasing focus on ROW markets supports our strategy to diversify beyond the US and Europe.

ESG progress. Sustainability continues to be a core part of who we are. This quarter, our CDP climate change rating improved to A up from B. Our S&P CSA score increased to 62 placing us among the top 10% of our global peers. We reinforced our commitment as a signatory to the UN Women's Empowerment Principles, UN Global Compact and PSCI.

Our Gagillapur facility achieved zero waste to landfill, which is platinum plus with over 99% waste diversion. We continue to make measurable progress across Scope 1, 2 and 3 emissions, renewable energy, sustainable procurement and water neutrality initiatives. Preferential issue. During the quarter, we also took a strategic step to strengthen our balance sheet through the preferential issue, which saw strong support from shareholders in yesterday's EGM.

The proceeds from this issue enhance our financial flexibility and will be deployed prudently to support capacity expansion, drive efficiency and pursue value-accretive opportunities while maintaining our focus on governance and capital discipline. We believe this capital raise positions the company well to accelerate growth and create sustainable long-term value for all shareholders.

Strategic direction. As we noted last quarter, Granules has entered a phase of renewed momentum. Our strategic priorities remain clear: transitioning to higher complexity generics, normalization at Gagillapur following remediation and strengthening the quality systems holistically across all the facilities, strengthening our market presence across key geographies, scaling operations at GLS as regulatory milestones translate into commercial execution.

Building a differentiated peptide CDMO platform through Ascelis with rising innovator engagement. These pillars position us well for sustainable quality-led growth. For ease of understanding, we have broken down our portfolio strategy into integrated Rx, complex Rx and CDMO. The definitions and directions of which have been presented in our IR presentation.

To conclude, this has been a strong quarter operationally, financially and strategically. We remain committed to building a high-quality innovation-driven global pharmaceutical enterprise supported by robust governance and a resilient multisite supply chain. With this, I now hand over the call over to Sanjay Kumar, who will speak about our peptides and CDMO growth platform. Over to you, Sanjay.

Sanjay Kumar: Thank you, Chairman, sir. Good evening, everyone. Let me briefly update you on the progress of our Peptide CDMO platform, Ascelis Peptides and Senn Chemicals. As anticipated, performance in the Q3 was modest, but consistent with the transition phase we have discussed earlier. Having said that, Q3 was an execution and activity intensive quarter, focused on executing key projects, increasing utilization and strengthening delivery readiness for the Q4.

Also during the quarter, Q3, we incurred high operating costs on account of planned maintenance activities and additional shifts towards the key customer project. The benefit of this increased activity are expected to translate as deliveries conversion in the next quarter, that is the Q4.

From an execution standpoint, Q4 is anchored on delivering key projects where work carried out over the last quarters is now moving into delivery stage. Accordingly, Q4 is tracking towards a meaningful improvement in performance, supported by ongoing project deliveries. Our focus remains on disciplined execution, predictable delivery and strengthening customer confidence.

On the R&D front, we are seeing active collaboration between our Switzerland and India teams working together on live customer projects after operationalization of our Peptide Center of Excellence at IIT Hyderabad. The India R&D setup has begun contributing directly to the customer projects, including development and execution responsibility.

The R&D team is also making progress on TFA-free peptide chemistries, reinforcing our technology differentiation, particularly in the cosmetics segment. On the commercial front, our focus over the next couple of quarters is on progressing feasibility discussions with our customers, seeding samples with those select customers, particularly in amino acid derivatives and complex peptide fragments and responding to the RFQs and RFPs across the active pipelines.

These activities are focused on building a conversion pipeline for the coming financial year and beyond the next financial year. With that, I will hand over to Mukesh Surana, our Chief Financial Officer, who will take us through the financial performance.

Mukesh Surana: Thank you, CMD and Sanjay. Let me take you all through key financial highlights for Q3 FY '26. Revenue, The third quarter revenue were INR13,879 million as compared to INR11,377 million in Q3 FY '25, a growth of 22% and revenue sequentially grew by 7% as compared to Q2

FY '26. Revenue growth was broad-based with strong contribution of formulation business in North America and Europe.

The sales breakup as per business division and geographic region are presented in our investor presentation, which is available on the website. Gross margin. We delivered a gross margin of 63.9% in Q3 FY '26 representing an improvement of 216 basis points year-on-year and decrease of 183 basis points sequentially. Year-on-year, gross margin improved with a better product mix for the finished dosage segment.

EBITDA and EBITDA margin. EBITDA for the quarter was INR3,081 million, that is 22.2% of sales as compared to INR2,303 million, that is 20.2% of sales in Q3 FY '25, meaningful improvement of 196 basis points from Q3 FY '25 despite EBITDA loss of Ascelis Peptides of INR248 million. Quarter-on-quarter increase in EBITDA loss of Ascelis Peptides is due to regular and preventive maintenance taken up in December '25 at Senn Chemicals facility.

EBITDA as a percentage of sales for Q3 FY '26 has improved by 75 basis points from Q2 FY '26. The improvement in EBITDA was primarily due to sales growth and margin expansion. R&D. R&D expenses for the quarter were INR689 million, that is 5% of sales as compared to INR568 million, that is 5% to sales in Q3 FY '25 and INR705 million that was 5.4% to sales in Q2 FY '26. We will continue to spend similar amounts to support long-term strategic growth.

Net debt. Our net debt stood at INR10,151 million as compared to INR10,241 million in Q2 FY '26. Cash-to-cash cycle. Our cash-to-cash cycle has slightly improved to 202 days in the current quarter as compared to 204 days in Q2 FY '26. Net working capital as a percentage to sales was at 27%, improved from 33% in the year beginning.

Cash flow from operations. Cash flow from operations for the quarter was INR2,187 million as compared to INR1,937 million in Q2 FY '26. Capex spend during the quarter was INR1,298 million as compared to INR2,112 million in Q2 FY '26. ROCE. ROCE for Q3 FY '26 is 16.8% as compared to 16.2% in Q2 FY '26. ROCE has improved with the improvement in operating profit quarter-on-quarter. With this, I open the floor for questions.

Moderator: Thank you, sir. Ladies and gentlemen, we will begin with the question and answer session. Our first question comes from the line of Krisha Kansara from Molecule Ventures. Please go ahead.

Krisha Kansara: Am I audible?

Moderator: Yes, ma'am, you are.

Krisha Kansara: I joined the call a bit late. So pardon me if the answer to my question has already been answered in your opening remarks. But my question is on our Gagillapur facility. So in the last quarter, you informed that we were going to meet the FDA in January month. So could you please update your investors regarding the same? Have we met them already? And if yes, could you please outline the next steps that we as a company are required to follow before we clear this warning letter? This is my question.

K. P. Chigurupati: Krisha, we had a meeting with the virtual meeting with the FDA early January, and they have requested us for some more documentation, which we'll be submitting shortly. The most important part is the agency has not raised any concerns regarding the adequacy or pace of corrective action. So once we submit our response and further information, we will see what the FDA comes back with, but we are -- that's it, yes.

Krisha Kansara: Right. So would you be able to put a timeline to it, like when are we expecting the final reinspection from there end?

K. P. Chigurupati: We cannot put a timeline to that, but we will be submitting the response quite early in the very near future. But we'll have to see how the agency and then what timelines are going to come out. But again, like I mentioned, we have also been de-risking. Some of the filings have been happening in our U.S. facility and also at our GLS facility. And some products are being site transferred to a GLS facility here, too. Slight amount of de-risking is happening. Even if it takes a little longer, it should not be a major problem.

Moderator: Our next question comes from the line of Bino Pathiparampil from Elara Capital.

Bino Pathiparampil: A couple of questions from my side. One, there is this INR25 crores of loss from the peptide franchise, which you have given in the investor presentation. How has this moved across quarters from 1Q to 3Q? And what is the outlook for the next few quarters?

K. P. Chigurupati: I think it's a good idea Sanjay take this call. Sanjay? Sanjay is responsible for the peptides business and anything regarding peptides, he will be answering.

Sanjay Kumar: Yes. So Bino, so the numbers are comparable to the financial performance of the previous quarter. In terms of outlook, this is a typical of a CDMO business where the quarter-to-quarter variation happens. And as I covered as a part of my early commentary, while the financial performance was lower and as anticipated, the quarter itself was activity intense and our projects progressed through the execution, which typically take a couple of quarters.

And the outcome of the last quarter will be reflected in the Q4, and we are expecting a very meaningful improvement in the Q4 performance. And we do have a visibility over the next set of quarters, and the numbers are significantly improved over the past 2 quarters on the revenue basis.

Bino Pathiparampil: Understood. Just to follow up on that. When you say improvement in performance, are you referring to breakeven and a positive EBITDA sometime soon?

Sanjay Kumar: Yes. I exactly mean that, and that is something that we covered in the last con call as well that we expected Q4 to go above the neutrality on EBITDA that you asked. So we remain confident, and we are on track to get to that position.

Bino Pathiparampil: Q4 as in next quarter, right, this coming quarter?

Sanjay Kumar: Yes, the current ongoing quarter.

Bino Pathiparampil: Okay. And what will drive that? Is it transfer of manufacturing to India or additional projects that you have taken up? What is leading to this sharp turnaround?

Sanjay Kumar: So I won't put it as actively as that. Like as you would assume the lead time to execute these projects go beyond a quarter. So we did have the visibility on the execution timeline for this, and we understood that those deliveries will happen in Q4. Again, the quarter-to-quarter variation is very unique to the CDMO business. So we did have the visibility. We were executing during the Q2, Q3, and we continue to execute through the Q4 and some of the key customer deliveries are happening in the Q4.

Bino Pathiparampil: Understood. And can we also assume that it will remain in the positive EBITDA territory through the quarters in FY '27 as well?

Sanjay Kumar: So our target is always to turn positive from next financial year. But again, I keep on saying the quarter-to-quarter variation will remain a characteristic of this business. But on a year basis, we are turning towards neutrality and profitability for sure.

Bino Pathiparampil: Got it. And second, is there any cost related to Gagillapur facility remediation still sitting in the P&L in Q3?

Mukesh Surana: Yes, Mukesh. This side, Bino. The remediation cost has substantially come down. So it will be in these normal levels for a few quarters and then will be negligible. It has come down substantially.

Bino Pathiparampil: Got it. And one last question on the U.S. If I look at your U.S. revenues in dollar terms, the last couple of years, we have added like $40 million to $50 million, somewhere between $40 million and $50 million every year to the US revenue. Is that something which we can kind of look forward to in the coming couple of years as well?

K. P. Chigurupati: That's what we aspire for and we are confident of that.

Bino Pathiparampil: Got it. Thank you. I will join back the queue.

Moderator: Thank you. Our next question comes from the line of Tushar Manudhane from Motilal Oswal Financial Services.

Tushar Manudhane: Sir, just on the Ascelis Peptide, how much of the revenue would have been in this quarter or, let's say, 9 months?

Mukesh Surana: So this quarter is INR33 crores, Tushar.

Tushar Manudhane: Okay.

Mukesh Surana: And quarter-on-quarter, last quarter, it was INR28 crores and the previous quarter also around INR28 crores, INR29 crores. This quarter, INR33 crores. And the loss has gone up, which Sanjay also has clarified, I also clarified. Primarily, we have taken higher execution activities, both on

the -- some of the active projects where the revenue will further come in Q4. And also, we have taken up regular and preventive maintenance cost in December.

Tushar Manudhane: So effectively, that maintenance cost will reduce and then there will be scale up in the revenue, which is why the EBITDA breakeven for Ascelis Peptides...

Mukesh Surana: You are right, Tushar, yes.

Tushar Manudhane: Even if I leave aside or even if I -- so if I exclude, let's say, Ascelis revenue and the EBITDA loss with respect to the Ascelis, the ex of that business has also scaled up both in terms of revenue as well as profitability. So how that piece of the business will improve subsequently, maybe like fourth quarter onwards or in FY '27, given that the regulatory issue-related expenses are actually at least largely behind, we might wait for inspection – re-inspection for Gagillapur site. But ex of that, how to think about the growth in the business in FY '27, if you can shed some light on that?

Mukesh Surana: Tushar, we are looking at sequential improvement, both on the sales and margin side.

Tushar Manudhane: And that would be driven by?

Mukesh Surana: That will be driven by one expenses, operational leverage, for sure, and more than that, in fact, revenue as well.

Tushar Manudhane: But this is to do with our, let's say, core products or the new approvals and which geographies, if you can give more color?

K. P. Chigurupati: Tushar -- Priyanka, go ahead, you can answer that.

Priyanka Chigurupati: Yes. Tushar, I'll answer that. A few things, well, the last couple of quarters like we mentioned in our past con calls also, we -- while we were producing, we weren't producing to the full of our capability. So right now, we are going to be increasing capacities and catering to all the awards that we have in the U.S. and to the other markets.

So just the operational efficiencies will increase, productivity will increase, and that will certainly increase the numbers going forward. In addition, if all goes well with Gagillapur, we have our launches in place. That will also facilitate the growth. We have a few CBE30 approvals and some PAS approvals from the GLS side, which we plan on launching, that will also facilitate growth.

Moderator: Our next question comes from the line of Yashika Gogia from Nirzar ENT.

Yashika Gogia: I just had one question. I wanted to gain some clarification on lisdexamfetamine. What's the product status? As we heard previously that GPI received FDA approval for the same chewable tablets in December '24 and then in January '25, the capsules. Is there any revenue recognition also, I just wanted to gain some insight for lisdexamfetamine?

K. P. Chigurupati: Priyanka, can you take that?

Priyanka Chigurupati: Yes, sure. Yes. It's been four quarters since we've launched lisdexa caps and tabs and it provides a meaningful revenue addition to our U.S. business.

Yashika Gogia: All right. So could you clarify some numbers or the revenue for the same?

Priyanka Chigurupati: No, we don't get into product specifics, unfortunately. But I will tell you that we have -- we were a late entrant to the market, but because of our quota history and our compliance history with the DEA, we were able to get meaningful share, and we plan on increasing it as we keep going further.

Yashika Gogia: All right. So will it be feasible for you to tell how much incremental demand this will signal since you mentioned that the quota for U.S. -- the quota for lisdexa has been improved. And in '24, it was around 26,000 per kg, whereas in '25, it was increased to 32,000 per kg. And in September '19 also, it was raised. So can we see any numbers from our and what benefit we can see?

Priyanka Chigurupati: I'm sorry, can you please repeat your question?

Yashika Gogia: I mean to say that since lisdexamfetamine quota was increased around September, it was announced by US DEA that the quota has been increased from '24 to '25 annual approximately 40,000 per kg. So what incremental demand does this signal? And does the industry have sufficient end market demand to absorb this?

Priyanka Chigurupati: First of all, I'd like to clarify that without end market demand, the DEA will not increase the quota overall for any product. So yes, there is market. And based on compliance history of each company and the continuous outflow of products quarter-on-quarter based on legitimate demand. And again, I want to say, based on the compliance aspect of that, the DEA awards quotas to the suppliers.

Moderator: Next question comes from the line of Ritwik Sheth from One Up Fin.

Ritwik Sheth: Sir, a couple of questions. Firstly, sir, we've got an approval -- in principle approval for amphetamine product in December across two dosage forms. And you mentioned the market size is $220 million to $230 million per annum, and we are one of the few players to get approval for this. So when can we expect the launch of this product in U.S.? And over a period of time, what kind of market share can we garner?

Priyanka Chigurupati: I'll take that question. If you're referring to the approval of generic Adzenys, it was a tentative approval. It's not an approval yet because it is an IP-based product. The overall value of the product right now, including the brand, is about 170 million units, but there's only one other generic player in the market. So -- but the timing of launch, I cannot confirm right now because it is a tentative approval, which is in litigation stage right now.

Ritwik Sheth: Okay. And when do we get the final approval, if at all, we get it?

Priyanka Chigurupati: It will take a year.

Ritwik Sheth: Okay. It will take a year. Okay. Got it. And second question is on controlled substance. What kind of growth did we clock in Q3 and 9 months FY '26 in this segment?

Priyanka Chigurupati: I think we should start referring to this entire basket instead of just looking at controlled substances. I would urge you to just look at our investor presentation where we are segregating our divisions into integrated pharma, complex generics and others. And within that, the definitions, et cetera, have been mentioned in the presentation. But within the complex generics range itself, just from Y-o-Y growth, Q3 to -- Q3 FY '25 to '26, we grew from 27% as a total contribution to 49%. And Q-on-Q, we grew from 40% to 49% within the complex generics range.

Ritwik Sheth: Right. So controlled substance would be a significant part of the complex generics?

Priyanka Chigurupati: Yes.

Ritwik Sheth: Okay. Got it. This is helpful. And just 1 last question on bookkeeping. Sir, what was the remediation expense in Q3 FY '26?

Mukesh Surana: So Ritwik, it has been substantially lower, almost half of what we incurred in Q2.

Moderator: The next question comes from the line of Sucrit D. Patil from Eyesight Fintrade Private Limited. Please go ahead.

Sucrit D. Patil: I have two forward-looking questions. My first question is, as Granules continues to grow -- sorry, as Granules continues to grow its formulations and CRAMS business, how do you see capacity use and overall production levels changing over the next 1 to 2 years? And particularly, how will steps like making more of your own APIs using automation in manufacturing and strengthening regulatory compliance be put into practice to improve efficiency, reduce production time and keep the company competitive in the global market? That's my first question. I'll ask my second question after this?

K. P. Chigurupati: Priyanka, go ahead.

Priyanka Chigurupati: In terms of capacity utilization, if I understood your question right, at Gagillapur, we will have some capacities over the next couple of quarters. But GLS, we will have significant capacities. And more importantly, both the sites will have a lot of products in common. So if there is a lot of demand that we see going forward, we can cater to it from both the sites. And on the operational efficiencies, could you please repeat your question?

Sucrit D. Patil: No, I just want to understand who -- like what steps you taking -- making more of your own APIs using automation in manufacturing and strengthening regulatory compliance to reduce production time and keep the company competitive in the global market?

Priyanka Chigurupati: I think to answer your question, if it's specifically about APIs, almost all the APIs that we make, we are already very cost competitive. So when we talk about automation and digitization, digitalization, it's more to increase quality compliance to make sure that we are one of the

strongest companies in quality going forward, and quality has always been a strong pillar for us. So that's where we'll be spending a lot of our resources with automation and digitalization.

K. P. Chigurupati: Let me clarify, Sucrit. The existing plant, there is a level of automation already. But any new plants that are coming up, including one API plant with a different type of differentiated technology in Vizag, this is going to be totally DCS driven and very few people on the site. So even that will happen in addition to paperless documentation.

Sucrit D. Patil: Good to hear. My second question is specifically to Mr. Mukesh. With strong cash flows and ongoing expansion into CRMS and specialty formulations, how do you plan to keep EBITDA margins steady while also funding new investments? From a financial process point of view, how will you handle the working capital more efficiently, manage currency risk on -- export revenues and use digital tools to control costs so that ROE and balance sheets remain strong in the near medium term?

Mukesh Surana: Thank you, Sucrit. It's a multi-loaded question. EBITDA improvement, of course, with a good mix of formulation, getting into larger complex generics share, the EBITDA margin, of course, gross margin to EBITDA margin will continue to improve. And thereby, of course, cash flow from operations will be positive quarter-on-quarter. At the same time, with the increased sales, there will be investment in working capital.

At the same time, we are seeing that how we steady state at the CCC days, even with the new launches and increase in inventory requirement, how we efficiently manage the CCC days so that working capital blockage is lesser with the growth as well. That is a continuous process which we do.

And we do have -- on the forex side, which you have asked, we have a good risk management governance, and we balance hedging also accordingly. And if you see all of these processes are effectively managed. That's how you see ROCE is improving and return on equity is also improving quarter-on-quarter with a business improvement.

Sucrit D. Patil: Thank you for the guidance and I wish the entire team best of luck for the next quarter.

K. P. Chigurupati: We don't give guidance, Sucrit. It's all going to be positive. That's all we can say. We have no guidance.

Sucrit D. Patil: I said thank you and best of luck for the next quarter.

Moderator: Our next question comes from the line of Abu Rafe from Wealth Catalyst. Please go ahead.

Abu Rafe: Thank you, sir. Thank you for giving me the opportunity. Sir, my question is, earlier management had indicated that paracetamol demand was weak due to elevated inventory. Could you update on the current inventory situation? Has the excess inventory largely been cleared, sir? And how does the management feel the demand outlook for paracetamol over the next few quarters?

K. P. Chigurupati: Priyanka, you want to take that?

Priyanka Chigurupati: Sure, I can take that. Paracetamol as an absolute -- if you talk about the inventory situation, in certain markets, they have eased down. And we are seeing an increase in demand from our key customers in both APIs, PFIs and finished dosages. While we are seeing good growth, and that's what facilitated the growth in some of our regions this quarter, we do see some amount of price erosion also in paracetamol. But in terms of inventory, the volumes are building back up.

Moderator: Our next question comes from the line of Vivek Gupta from Star Investments. Mr. Gupta, you may please proceed with the question.

Vivek Gupta: Yes. Am I audible?

Moderator: Yes, you are.

Vivek Gupta: So sir, could you outline the expected timeline for meaningful product launches from the Genome Valley facility and like share your estimates on the incremental revenue contribution that is anticipated in FY '27?

K. P. Chigurupati: Priyanka?

Priyanka Chigurupati: I'll take that question. Yes. We are going to be launching at least 1 product, if not two products, which are existing products from the Gpp sites to cater to additional demand that we have. So these two products will be launched over the next couple of -- next two quarters, one to two quarters. We'll start this quarter, and we'll see an incremental revenue coming up. And we're also expecting -- once we have a European approval for that site, then we expect even more numbers to come in.

Vivek Gupta: Okay. So with oncology and high-value segments positioned as key long-term growth levers, how do you plan to scale capacity, build partnerships and progress regulatory fillings to unlock their potential?

Priyanka Chigurupati: So if you look at the 3 baskets that we have mentioned in our investor presentation, sequentially, even if you look at the R&D filings in order of how they have changed over time, you'll see that the percentage of complex generics, which is where oncology, CNS and other products come into play, they have sequentially grown. So we plan on filing a certain number of products more inclined towards complex generics in the future, while integrated generics remain a core area of focus as well.

Vivek Gupta: Okay. Thank you.

Moderator: Thank you. Our next question comes from the line of Saniya from SSK Capital. Please go ahead.

Saniya: Hello. Am I audible?

Priyanka Chigurupati: Yes, you are.

Saniya: Hi, good evening. Actually, I joined a little late. I had a question regarding that the controlled substances that are emerging as a key growth driver in the US market. Could you provide a

greater visibility on the pipeline, like the outline, the expected launch timeline? And can you share how the management anticipate this product will contribute to your earnings for the next 2, 3 years?

Priyanka Chigurupati: I'll take that question also. When somebody -- sorry, I forget the name, but somebody spoke to me about it in the past couple of minutes. I mentioned that we should look at it as integrated generics, complex generics and others. So CNS, ADHD and controlled substances are a part of the complex generics range.

We have about 8 to 9 products in the market, 5 to 6 of which are amongst the top 3, if not number 1 in the markets today. So going forward, as immediate launches -- well, immediate launches, meaning within the next year, 1.5 years, we have about 3 launches, and they will -- 3 to 4 launches, and they will contribute to a very meaningful percentage of our overall growth story.

Saniya: Okay. Got it. And also regarding the tentative approval for amphetamine, could you please elaborate on the strategic importance of this molecule, particularly in the terms of potential revenue contribution and the market share?

Priyanka Chigurupati: See, I don't want to -- yes. Sorry, please finish your question.

Saniya: No, it's okay.

Priyanka Chigurupati: It is a very important -- very, very important product for us from a strategic perspective because it reinforces our strategy of filing limited competition products to be able to get -- to be able to give patients with ADHD immediate access to products by launching generics that are early to the market.

And from a manufacturing and development perspective, these are difficult products. These are products that -- some of the products have been in the market with this particular product, well, there has been one generic for a long time, but others have not been able to develop, file and get approval for this product because of the complexity involved. So overall, it is a very good product that fits exactly within the pipeline that we have envisaged for ourselves and it will contribute to a very meaningful amount going forward.

Saniya: Okay. Got it. Thank you and best of luck.

Moderator: Thank you. As there are no further questions from the participant, I would like to hand the conference over to management for the closing comments. Thank you and over to you, management.

K. P. Chigurupati: On behalf of the entire leadership team, I would like to thank all our shareholders, analysts and participants for taking the time to join us today. We value your insights and your continued trust. This brings our call to a close. Thank you and have a wonderful evening.

Priyanka Chigurupati: Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of MUFG Investor Relations Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.