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18th August, 2026

Corporate Relationship Department	Manager – Listing
M/s. BSE Ltd.	M/s. National Stock Exchange of India Ltd
Mumbai 400 001	Mumbai 400 051
Scrip Code: **524816**	Scrip Code: **NATCOPHARM**

Dear Sir

Sub:- Transcript of earnings conference call held on August 14, 2026
Ref:- Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015

We are enclosing herewith the copy of transcript of the Company's earnings conference call for Q1 FY26-27 held on August 14, 2026. The transcript is also available on the website of the Company at https://www.natcopharma.co.in/investor-relations/financials-filings.

This is for your information and records

Thanking you

Yours faithfully

For NATCO Pharma Limited

VENKAT RAMESH CHEKURI Digitally signed by VENKAT RAMESH CHEKURI Date: 2026.08.18 12:31:01 +05'30'

Ch. Venkat Ramesh
Company Secretary &
Compliance Officer

"NATCO Pharma Limited
Q1 FY27 Earnings Conference Call"
August 14, 2026

MANAGEMENT:	**MR. RAJEEV NANNAPANENI – VICE CHAIRMAN AND CHIEF EXECUTIVE OFFICER – NATCO PHARMA LIMITED** **MR. AMIT PAREKH – CHIEF FINANCIAL OFFICER – NATCO PHARMA LIMITED** **MR. RAJESH CHEBIYAM – EXECUTIVE VICE PRESIDENT – CROP HEALTH SCIENCE – NATCO PHARMA LIMITED** **MR. RAJEEV MENON – INVESTOR RELATIONS – NATCO PHARMA LIMITED**
MODERATOR:	**MR. HRISHIKESH PATOLE – 360 ONE CAPITAL MARKETS PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the NATCO Pharma's Q1 FY27 Earnings Conference Call.

As a reminder, all participants 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 touch-tone phone. Ladies and gentlemen, a reminder that this call is hosted by 360 ONE Capital Markets Private Limited.

I now hand the conference over to Mr. Hrishikesh Patole from 360 ONE Capital Markets Private Limited. Thank you, and over to you, sir, Hrishikesh.

Hrishikesh Patole: Thank you, Danish. Good evening, everyone. On behalf of 360 ONE, I welcome you all to the Q1 FY27 Earnings Conference Call of NATCO Pharma. Hope everyone is in good health and doing well. On behalf of NATCO today, we have with us Mr. Rajeev Nannapaneni, Vice Chairman and CEO; Mr. Amit Parekh, Chief Financial Officer; Mr. Rajesh Chebiyam, Executive Vice President, Crop Health Sciences; and Mr. Rajeev Menon, Investor Relations.

I now hand over the call to Rajeev Menon for the opening remarks, post which we'll open the session for Q&A. Over to you, Rajeev.

Rajeev Menon: Thank you, Hrishikesh. Good evening, and welcome, everyone, to NATCO's conference call discussing our earnings results for the first quarter of FY27. I'm Rajeev Menon, Lead Investor Relations at NATCO. We hope you have received the press release that was sent out earlier. It is also available on our website.

Let me draw your attention to the fact that on this call, we may be making certain forward-looking statements, which are not necessarily historical facts, and anything said on this call, which reflects our outlook for the future must be reviewed in conjunction with the risks that the company faces. We undertake no obligations to update these forward-looking statements.

I would like to state that the material of the call, except for the participant questions, is the property of NATCO and cannot be recorded or rebroadcast without NATCO's express written permission. We'll begin with the financial highlights and then follow up with an interactive Q&A session.

With that, I will request our CFO, Amit Parekh, to discuss the financial highlights. Over to you, sir.

Amit Parekh: Thank you, Menon. Greetings to everyone, and thank you once again for joining NATCO's quarter 1 FY27 earnings call. The company recorded consolidated total revenues of INR794.4 crores in quarter 1 FY27 compared to INR1,390.6 crores in the corresponding quarter last year.

The decline is largely attributable to lower Lenalidomide revenue during the quarter, which was partially offset by double-digit growth in the base business. EBITDA, including other income for the quarter, stood at INR245.7 crores with EBITDA margin of 30.9%. There has been an improvement in EBITDA margin quarter-on-quarter, which can be attributed to the performance of our international and domestic business and lower and measured operating costs.

Consolidated profit after tax stood at INR206.5 crores compared to INR269 crores in quarter 4 of FY26, which included onetime benefit of INR115 crores arising from remeasurement of deferred tax assets on MAT credit and other deferred tax assets and liabilities following the company's decision to move to the new tax regime from FY27.

On a normalized basis, excluding this onetime tax benefit in quarter 4 last year, consolidated PAT grew by 34% quarter-on-quarter. With regards to our associate company, Adcock Ingram Holdings Limited, South Africa, revenue for the quarter stood at INR1,582.8 crores and profit after tax at INR242.2 crores. NATCO's share of profit based on 35.75% holding as on 30th June 2026 was INR84.3 crores.

In July 2026, we acquired additional stake of 13.25% in Adcock Ingram, taking our total holding to 49%. This, we believe, will further strengthen our strategic position in South African market and increase our participation in the performance of Adcock Ingram. Our domestic formulation business revenue stood at INR136 crores. We also saw strong growth in our Brazil business. Revenue from Brazil stood at INR178 crores, representing a growth of 180%.

Thank you all. And now we will take questions-and-answers.

Moderator: Thank you so much sir. Ladies and gentlemen, we will now begin with the question-and-answer session. First question comes from the line of Vamsi from ASK IM.

Vamsi: Congrats on a good set of numbers. My first question is in terms of the breakdown of your export revenue. So, can you please give me a constant currency growth across your key geographies of Canada and Brazil?

Amit Parekh: So, Brazil has grown, as I said, by 180%. The revenues of Brazil, as I mentioned earlier, was INR178 crores.

Amit Parekh: Canada sales for the quarter was around INR56 crores.

Vamsi: Understood, sir. Also, if we were to just look on a quarter-on-quarter basis, in constant currency terms, there seems to be a 14% kind of decline. Any specific geography which you would attribute this to?

Rajeev Nannapaneni: No, it's just a seasonal cycle. I think you have different orders at different time. I think the increase in the profit didn't come from the Indian company, it came from the associate. If you see the numbers, normally, the Adcock profit share is around INR35 crores to INR40 crores a quarter at our 35% holding. This quarter came to INR80 crores.

I think that is why the bumper earnings came from there and that's the reason why there's an increase in profit. And the orders themselves, I mean, it's all cyclical, right? And the reason why Adcock delivered good set of numbers is because there's a strong flu season in South Africa. So I think that's the reason why the numbers are the way they are.

Vamsi: So even on a constant currency basis in the Adcock business, there is a healthy growth, sir, of, let's say, high single digit?

Rajeev Nannapaneni: In this particular quarter, yes, because of the flu season.

Vamsi: Understood, sir. Also, if I were to just ask a question on the domestic sales growth. Could you provide a breakdown of how the base business has grown and how Sema has incrementally contributed this quarter?

Rajeev Nannapaneni: I think that base business normally is about INR107 crores a quarter. I think this quarter it went to INR130 crores something. We believe we're able to maintain that INR130 crores number. I think a lot of it has come from semaglutide. I think we have a pretty good run on semaglutide and some third-party orders on semaglutide.

And also our base business has also done well in oncology and other segments of the operating unit. Overall, domestic has done very well. I think this year, we expect that domestic will increase by about 25% in volumes alone.

Vamsi: Understood, sir. During the quarter, so basically, sir, we closed the year at about INR2,400 crores of cash. And after having paid out for this incremental stake in Adcock, I think we still have a decent close to about INR1,000 crores to INR1,500 crores kind of cash sitting. So any incremental insight on why the proposed fundraise of INR2,000 crores is planned? Any specific target therapies or kind of assets that you're looking at?

Amit Parekh: Yes. So you're right, our net cash as of today is around INR1,400 crores. Obviously, last one year, if you look at the kind of investments we have made, it's almost INR3,000 crores, primarily in Adcock. We had two times acquisition of stakes in Adcock. Both put together was around INR3,000 crores.

We have some short-term loans to pay off and some capital expenditure. But at this juncture, we are also looking at a couple of very interesting opportunities of acquisitions and some kind of an M&A opportunity. And we believe that this cash would be really required, and we believe that this would be helpful at the right time. And hence, we want to raise the money from the market.

Vamsi: Understood, sir. Any color on the kind of M&A we're looking at?

Rajeev Nannapaneni: We'll come back to you again, my friend. We'll come back again, next caller.

Moderator: Our next question comes from the line of Kunal Randeria with Axis Capital.

Kunal Randeria: First question for Amit. So very sharp decrease in other expenses, both quarter-on-quarter, year-on-year. So if you can kind of highlight the reasons behind it? And is this the kind of a new run rate that we should expect going forward?

Amit Parekh: So Kunal, thank you for the question. Yes, there has been a decline. Obviously, if you look at the last year Q1, there has been a high R&D spend, which happened. And R&D is not a very stable quarter-on-quarter run rate. It depends on a lot of milestones in the batches, exhibit batches, clinical trials, etc.

So, in last year's quarter, yes, there was a very high spend on R&D. And we also had higher legal costs in last year. Current quarter is slightly lower, and this cannot be the run rate. There will be a little bit higher spend going forward. But current quarter will be lower than the previous quarter for sure.

Kunal Randeria: On an annualized basis, not sort of like a quarter-to-quarter.

Rajeev Nannapaneni: Sometimes there will be an increase based on a project. For example, let's say, doing a big clinical trial with a huge exhibit batch. Sometimes there will be an $8 million expenditure. If you don't have that batch in that particular quarter, then there's no expenditure. So we plan according to the cash flow that we have.

So we plan our projects based on when we have cash flow and so on and so forth. So, you've asked me to pin me down and say this will be this quarter, it could be higher or lower. But typically, I think when we give our guidance, we assume these costs and then we build in the PAT numbers once based on what we believe spend. I think you should take an annual approach as opposed to Q-on-Q.

Kunal Randeria: Got it. Second question is the international formulations business. This quarter was INR477 crores. You also mentioned there was good growth in Brazil. So what would explain the quarter-on-quarter decline? Is it the seasonality or the decline in pomalidomide, if you can throw some light on this?

Rajeev Nannapaneni: I think there are different cycles for different products. I generally don't give a product-by-product guidance. Why this product came. Sometimes we have one tender on one product. You have obviously pomalidomide, that one was in the previous quarter.

So, all the seasonal and quarter stuff happens. I think I would focus on the larger picture. I think we generally give a guidance for the year and then tell you what the major highlights are will be for the quarter.

Moderator: Our next question comes from the line of Rashmi Shetty with Dolat Capital.

Rashmi Shetty: Sir, out of your total export formulation business of INR477 crores, how much contributes from the subsidiary? You have given a Canada and Brazil number. If you can also give rest of the world number?

Rajeev Nannapaneni: I don't have a split. I have the bigger ones. The smaller ones I don't have it on hand, so I do not want to give an incorrect number. I will pass on this.

Rashmi Shetty: Okay. And on the sales on the Agro sales, that is your Crop Health Sciences, have you breakeven in this business?

Rajeev Nannapaneni: I can say that again, have you? -- repeat the question, please?

Rashmi Shetty: Sir, on the Crop Health business, are we still making an EBITDA loss or we have already done the breakeven?

Rajesh Chebiyam: No. So basically, for the quarter, there was a loss, right? But the goal and our expectation for the year is to break even. If you look at overall scenario for the Crop Health, it is very seasonal, Rashmi. As probably most of you are aware, there has been the El Nino fear and delay in rains.

So that is what actually caused a little bit of delay in the cropping season. We expect Q2 to be significantly better than Q1, and I think we are on track to, again, as I said, to break even for the year.

Rashmi Shetty: And sir, on the revenue part, what will be the guidance for the Crop Health?

Rajesh Chebiyam: I mean for the Crop Health that you are talking about?

Rashmi Shetty: Yes.

Rajesh Chebiyam: See, let me just give you an indicative number. See, last year, we did about INR138 crores total, and we are about INR40 crores in Q1. By Q2, Q3, I think we should be fairly close to that number.

Rajeev Nannapaneni: We expect some growth, I think Q2 will give a fair idea of how things are. Because Q2 is the strongest quarter for the Agro business. So I think we would defer any particular guidance. I will stick to the same guidance that we gave earlier in the year that we end the year with about INR750 crores and our gross sales will be between INR3,300 crores to INR3,400 crores in that region. I think beyond that, at this time, we don't want to say.

Rashmi Shetty: So on the total sales, which you are saying INR33 billion to INR34 billion, when you just annualize this quarter sales, it comes to around INR2,800 crores that is that roughly comes to INR28 billion. So whatever that extra sales which we will be generating, it will be coming basically from which geography? Who will be the major contributor, whether we are going to see a traction in the export part of the business in the U.S. or in India or in the rest of the world?

Rajeev Nannapaneni: I think we see all round growth. I think with the couple of U.S. orders we have. We are not doing a geographic split per se, I think for Brazil and Canada we have because we have a sub that we can identify. But other numbers are altogether. But yes, I think the growth areas will come from these three geographies. You are right. Brazil, Canada, and U.S. I think all three will do well.

Moderator: Our next question comes from the line of Abhigyan Srivastav with Marcellus Investment Managers.

Abhigyan Srivastav: I have a few questions. Sir, firstly, this current quarter, do we have any contribution from Revlimid?

Amit Parekh: So current quarter, it is very, very small. It is negligible to say the least.

Abhigyan Srivastav: Okay. Got it. And sir, our tax rate has been a bit volatile for this quarter and the previous quarter as well. Do we have a particular tax guidance for FY27 and going forward?

Amit Parekh: See, the tax rate at the consolidated level, it's a combination of the global tax in country-by-country contribution. In India, at least I can say that since we have moved to the new regime, the tax rate would be around 25.16%. And obviously, there are some disallowances of CSR and donations happen. So roughly in India will be around 27%. And globally, it all depends on which geography is contributing more.

This quarter, Brazil has a larger contribution where the tax rate is more than 35%. And hence, the quarterly tax rate is quite high this quarter. So very difficult to give a very clear guidance around tax because it is a combination of multiple factors. But yes, this quarter, it is higher.

Abhigyan Srivastav: Okay. I see. I see. And sir, two questions around our recent launches, which are upcoming. So for carfilzomib, we have likely a calendar '27 launch with the launch settlement with the innovator. So are we on track for this launch?

Rajeev Nannapaneni: I cannot confirm the date, but yes, the launch is on track. I believe we will talk about it closer to the launch date. Yes. The plant is on the upgrade right now, and we think the upgradation should be completed by end of the year, and we believe that we'll be able to launch it at the time when the launch date is set. Because of confidentiality, I am not giving the launch date, but yeah, we are on track.

Abhigyan Srivastav: Yes. Just one more question. Regarding olaparib, could you please share what the current litigation status is with the innovator? And do we have any sort of like an outer time line by which you believe that an outcome might be decided?

Rajeev Nannapaneni: I think I don't remember the date. I think the trial date. I think it's sometime in the next few months. Top of my head, I'm not able to remember what date it is.

We have a tentative, of course, so it is good. And then the issue of exclusivity is there because it took more than 30 months. So we are hoping we have kept the exclusivity. We have some arguments that has not been determined yet. I think these are two important factors, the determination of the money today and I think the issue is the trial.

So, I think both the trial date, I'm not able to remember. I don't want to speculate. It is scheduled I think in the next few months, but can't recollect date. And then the determination of the exclusivity, which has not been determined yet. So I think these are two open questions. Okay.

Moderator: Our next question comes from the line of Tanya Chaudhary with Investec.

Tanya Chaudhary: Sir, given that you have some experience in South Africa now after the acquisition, what are your plans to improve growth and profitability in South Africa?

Rajeev Nannapaneni: I think overall, I think we see a lot of synergies between NATCO and Adcock. I think the first synergy is obviously the pipeline for NATCO, which can be put in Adcock and which can be distributed in South Africa. Second is our connect with our Indian partners. Because we do a lot of alliances with other Indian companies for other markets. So we have pretty strong relationship with other Indian family-owned companies.

So we bring that to the table as well. So we're using those relationships to improve the pipeline of Adcock.

I think there are two major synergies I see. One is the R&D synergy. And second is the pipeline. We are able to source pipeline. The benefit of our shareholding, you see whatever we're getting right now in Adcock is based on the base business that they have already.

I think the value of NATCO and Adcock's pipeline and all will come in the next 2 to 3 years, not today. But we are playing for the long haul as you know. But also Adcock has a lot of meaningful strength to our base business. As you can see this quarter, for example, our 35%, 40% of our earnings are coming from Adcock. So we are able to sort of build that strong base business, so it brings less volatility in our earnings, which has always been the case at NATCO. So I think we're trying to strengthen that.

Tanya Chaudhary: Also in Brazil, given that you're witnessing strong growth, are there any key launches which are driving such growth? And are there any meaningful launches planned going forward?

Rajeev Nannapaneni: I think our oncology pipeline is driving the growth. So I think that's why we see very good numbers. We also have other meaningful launches in the year '27 as well, subject to some patent litigation. Generally, we don't give which molecules because of competitive reasons. But overall, the portfolio is doing extremely well.

So we anticipate very good growth in Brazil as well. So it's a fairly diversified model. And I think India is also growing very well. So a lot of the revenue pickup we're getting now is over multiple geographies. I think we are comfortable where we are.

And the objective is that we'll do another acquisition hopefully. And if we are able to do that, we are able to build a diverse pipeline of geographies and revenue avenues so that we have more stability in our base in that geography.

Tanya Chaudhary: And sir, lastly, if you could guide for how much we have done from semaglutide in the first quarter through? Just a broad idea.

Rajeev Nannapaneni: The market is cutthroat. I think this is what we always said in our earlier calls as well. So it's been fairly cutthroat. I think our brand per month is doing around INR2 crores roughly.

But we have a lot of other third-party business, which I don't think will get repeated. So, our sales people say that I think right now, this is where it is. But over a period of time, this brand should do very well. But right now, the market is how do I say not so good, in terms of competition is very intense. So I think things are just settling down.

We'll see pricing stability will come in the next few months and I think things will settle down. As of now, it is pretty clear.

Tanya Chaudhary: Is it profitable, sir?

Rajeev Nannapaneni: As of now, it doesn't lose money, but it doesn't make much money either.

Moderator: Our next question comes from the line of Arjun, an individual investor.

Arjun: Yes. So I think we are in interesting times with respect to South Africa. On 12th of August, India and South Africa have signed the terms of reference for preferential trade agreement, right? So I want to understand how this is going to impact our business. And I've also seen one of the Indian company has already got approval for semaglutide launch in South Africa.

So when are we going to get approval? And how big the market would be?

Rajeev Nannapaneni: Regarding the trade deal, I'm not well informed my friend. So I don't want to answer that question because I don't know. Regarding semaglutide, Sun Pharma got approved in South Africa. This is what I understand. In terms of our approval, I think we're a little away, but we're trying to see what other ways we can hasten the launch of semaglutide.

We are also looking at other third parties as well. But at this time, yes, our dossier is a little away. But yes, I think we're looking at other possible third-party vendors will give us that. Yes, we're working on. The size of semaglutide in South Africa, it's interesting opportunity, but numbers, I don't know either. On top of my head, I don't have that answer. Thanks.

Arjun: Okay. Sir, one more question, sir. This is with respect to our NATCO Crop Health Science business. I understand already we have approved the demerger and other things. So when can we expect the actual demerger to take place from an investor point of view, sir?

Rajesh Chebiyam: Yes. So the demerger, again, the plans are still active. But now we're also looking at this potential fundraising activity. So with that activity in the immediate fray, after that is we will continue the demerger aspect.

So it could probably delay by about 2 to 3 months. Yes, I think probably instead of December, it could be about March.

Moderator: Our next question comes from the line of Pranav Chawla with JM AMC.

Pranav Chawla: Congratulations on a good quarter. Sir, I just wanted to understand one small thing. We had somewhere close to INR3,000 crores, INR3,500 crores of cash on our balance sheet as on March. After that, we would have spent some to acquire the additional stake in Adcock. Any particular reason for taking the additional resolution?

Amit Parekh: So yes, as I already tried to explain again in the call, right now, between March and now, we spent money on Adcock additional stake acquisition. Currently, we have around INR1,400 crores of net cash. As you would have realized that over the last 1 year, INR3,000 crores have already been spent. We are looking at a couple of interesting acquisition opportunities for which we would require cash. Additionally, we have some short-term loans and some capex requirements.

So I think whatever money we raise will be going towards these things. And we want to be ready with the money for any interesting opportunity, which is already there in our evaluation. So that's the primary reason we want to raise the funds.

Pranav Chawla: Got it. Sir, so you highlighted that you require cash for your internal capex and some capacity expansion that could be planned. Can you highlight what that number will be, say, for this year and the next? Ex of inorganic.

Amit Parekh: Organically, I think every year, we have around INR250 crores to INR300 crores of capex year-on-year. That's the run rate anyway we have.

Pranav Chawla: Got it. And sir, any color that you can provide on when do you plan to launch some of NATCO's India products in the Adcock entity now that you have 49% stake?

Rajeev Nannapaneni: So what we've done is we have filed for registrations. We have actually filed three dossiers already. Typically, registration takes 2 years or so. We feel that NATCO's products might come into the market maybe around '28, I think, would be a reason. Typical registration takes about 18 months to 24 months. '28 is our estimate.

Moderator: Our next question comes from the line of Hrishikesh Patole with 360 ONE Capital Markets Private Limited.

Hrishikesh Patole: Yes. So quickly, Rajeev, can you provide any material changes that could have happened on the innovation side, the four assets that we have, can you take us through?

Rajeev Nannapaneni: I think there's nothing much to report at this time. I think the biggest bet we have made is eGenesis. So that entity is doing reasonably well. I think they have done transplant for multiple patients and two patients have done extremely well. I mean, they have survived on pig kidney for about more than 8 months.

So I think we'll have some updates in short time over that asset. I think I'm very happy of the four assets that are there. This is the most exciting one that we have and I think it's the most valuable one that we have. At this time, I can't give an update, but I'm hoping that in the next few months, we'll be able to give some very exciting updates on this asset.

Hrishikesh Patole: So when can we see the next catalyst or an update?

Rajeev Nannapaneni: At this time, it would be premature to say. But as I said, we are hoping we will give you some good updates in the next few months.

Hrishikesh Patole: Great. And second question on the R&D pipeline of the assets FTF. What kind of filing do we expect now in the next 2 years? Any idea you give please.

Rajeev Nannapaneni: I think we have an internal target of doing about 8 to 10 ANDAs a year. FTF, I think, we target about 2 to 3. I think we will see how things go. I am very positive that we will be able to deliver some FTFs. So far, we are premature to say. I think we are hoping to deliver at least one or two this year. Over and above the pipeline we already have.

Moderator: Our next question comes from the line of Vamsi with ASKIM.

Vamsi: So, I just wanted to check on whether the PAT guidance of close to INR750 crores still holds? Or is there an upside risk to this number? Because if I see Adcock's contribution currently, there's close to about INR150 million constant currency or in real terms, close to INR150 million kind of contribution to NATCO's earnings. And given the increase in stake now, it is likely that if I were to annualize the same number and see close to about INR440 crores to INR450 crores of PAT would be coming from this Adcock entity itself.

Amit Parekh: Wait. Don't annualize it. It is a seasonal bump because it was a flu season. Our guidance still remains around INR750 crores. I am not changing the guidance.

And so what it had was a bump due to the, what you call, flu season. Normally, the profit is usually around INR100 crores per quarter, I think typically and of which we'll have a see-through of about 49% now with the increase. I think that usually that's the base number. I don't want to answer, but please don't annualize the quarter numbers because it was a bump in the flu season. Okay.

Moderator: Our next question comes from the line of Santosh, an individual investor.

Santosh: I just want to ask in future if Adcock gives opportunity to buy some more percent upside, will we go for that?

Amit Parekh: Yes, of course, As you know, our management strategy is to always be on a long term and we are very well committed to South Africa investment. At this point of time, we don't have an opportunity, but whenever it comes up, we'll be more than happy to take it. And that's our strategy. It's a very strategic call for us. And yes, of course, we'll go for it. But right now, there is no opportunity.

Santosh: So how much percent till we can go, like still 70%, 80%? Do we have any targets like that?

Rajeev Nannapaneni: As of now, at 49%. I think as of now Bidvest now wants to hold on to the 51%. So there's no opportunity yet, but we have a first right of refusal. I think if the opportunity comes, then yes, we will definitely look at it. We like the asset, and we're very happy with the asset.

But at this time, it's only 49% which we are able to get. And the near term, I don't see it increasing at this time. That is what it is.

Moderator: Our next question comes from the line of Arjun, an individual investor.

Arjun: Sir, I believe our company also has a very good land bank. Sometime back, I think we have sold some land to Microsoft. Are we not getting such offers nowadays? Because we are raising funds also. So I thought this could be one of the source.

Rajeev Nannapaneni: I think we have a reasonable land bank. But there are some we can sell and some we want to utilize for our own operations. Problem with the land bank, Arjun, is that there are always that little litigation that we always have. So there's always, I would say, 15%, 20% of our land is tied up in litigation and it's all frivolous in nature because people just want to profit by having a litigation and then ask you for money. So I think it can be divested.

I agree with you. Absolutely, you are right. But at the right time at the right price, yes, of course. I'm also looking at that. And this is also another avenue, absolutely correct. But subject to the right price and subject to clearance of these small litigations. Typically, let us say you want to sell. I will give you an example so that you understand our predicament. Let us say you want to sell a 20-acre piece. You will have 19 acres will be clear, but there is that one acre right in the middle which is not clean.

But if you want to get a good price, you have to sell all the 20, or otherwise you have to break it up into smaller pieces. Sometimes we are like, "Okay, fine, let me wait and resolve all the issues before I sell." But these are the predicaments that we tend to have. I would say, yes, we can monetize it, but as of today, we are holding on. Okay.

Arjun: Sir, my next question is with respect to the fund raise. So I have seen the history of the prior fundraisers which you have conducted. So it has been mostly QIPs only. But as an individual investor, I'm placing a request if there is a rights issue, we would like to participate and increase our stake, sir. This is just a request rather than a question.

Rajeev Nannapaneni: I understand. I think we're exploring all options, my friend. I think we're looking at QIP and rights and all other options. I think the Board allowed us to consider all the options. We are looking around and I think once we get a feel of what's the right thing to do is, we will consider your request. We are considering rights as well, but we are exploring all options.

Arjun: We are very happy with the way you are running this organization and being very transparent and honest.

Moderator: Next question comes from the line of Sahil Mahajan, an individual investor.

Sahil Mahajan: Yes. So I'm a new investor in NATCO. So I wanted to know that what is the payback time scale for our R&D expenses? Like how do we think about the future while we are doing R&D expenses?

Rajeev Nannapaneni: That is a very good question, my friend. Generally, you have different payoffs for different things. But I will tell you what really makes money, what makes a moderate amount of money or low amount of money. The one that comes sooner is the one that has the least amount of money because the outcome has a lot of competitors. The one that you are willing to wait the longest has the highest return.

Typically, if you want to think of this business, things which are 8, 9 years away are the most valuable ones. They will probably make 20x, 30x of what you put or 40x of what you put. If you want to do things which are, like, in next 12 months, then it is only a 15%-20% return. I think the longer you wait, the bigger the returns, and higher the risk, bigger the returns. I think you always have to think of this business in an 8 to 10 year cycle, not in a 2, 3 year cycle. That's how you want to think.

Sahil Mahajan: So what percentage of our expenses we kind of put towards the long term and what percentage is towards the short term?

Rajeev Nannapaneni: I would say 70% to 80% of our money is put for things which are going to happen in 2029. The earliest one will probably '28, '29 and then going up to 2035. So everything between '28 to '35.

Moderator: Our next question comes from the line of Aman, an individual investor.

Aman: Sir, you invested INR1,400 crores in South Africa total sir, the reason for this?

Rajeev Nannapaneni: I think we took a resolution, but I think the total amount we invested in that particular tranche was 13.25%, I think, INR1,060 crores.

Aman: And my second question, are you looking for acquiring more stake? I mean, controlling stake in NATCO?

Amit Parekh: So as we mentioned earlier also that we are very happy with the investment and the company is doing very well, very professionally. Overall, it's a very good asset for us. Controlling stake right now, the other shareholder is Bidvest and it's not in offering right now. Whenever it comes up, we have a first right of refusal and we'll be happy to execute that, provided it comes at the right price. So we are looking for the opportunity to increase our stake, but currently, it's not there.

Aman: My last question regarding you raised INR2,000 crores. So which geography you are going to invest this?

Amit Parekh: We are evaluating various options of how to raise the money. It can be anything, it can be QIP, it can be rights, it can be other things also. There are opportunities of acquisitions, as we mentioned earlier. There is a smaller piece in India and a very large opportunity outside India. So we're not getting into geography specific, but there are 2 opportunities. One could be outside and one could be within India.

Moderator: Our next question comes from the line of Hrishikesh Patole with 360 ONE Capital Markets Private Limited.

Hrishikesh Patole: Yes. So quickly on semaglutide, you provided the update for India market as well as the South Africa, I mean, we are still far away. Can you similarly provide for Canada as well as the Brazil region? Where is -- at what stage is the dossier and when do we...

Rajeev Nannapaneni: We are not filing. And the status is minus. We have not filed also. So I think our dossier is not being filed.

Hrishikesh Patole: In Canada and Brazil, both?

Rajeev Nannapaneni: Both.

Hrishikesh Patole: That's helpful. And second, can you provide any update on the launches lined up for FY27, '28, '29 for the U.S. market? Anything that you are...

Rajeev Nannapaneni: Yes, of course. We intend to launch with our exclusivity. We can't name them because of the confidentiality agreements. But yes, we have two launches in the next financial year.

Hrishikesh Patole: Okay. And just lastly from my side, if I may. On the agri piece, I mean, CTPR exports have commenced or we are still -- I mean any update on that?

Rajesh Chebiyam: CTPR technical, some level of exports have been done, Hrishikesh, but not very significant. Predominantly, we are a domestic focus at this stage. But we are working on several registrations across interesting geographies.

Hrishikesh Patole: Just a follow-up on that. On the domestic portfolio, apart from CTPR, have you done any more launches?

Rajesh Chebiyam: Actually, quite a few. I mean CTPR was our segue, right, where we entered. But today, we have roughly about 35 products and a good combination of insecticides, fungicides. And some of our fungicides are doing fairly well. In fact, one of the top things which is working well in fungicides, one particular brand called Glanz, which is I would say it's a limited competition product Glanz.

And if you look at CTPR versus non-CTPR, in fact, revenue contribution also, I can't give you an exact number. But I can say out of 35 products that we have, 8 products are CTPR related and the rest are non-CTPR, right? So it is a significant number of products. From a revenue perspective, I'll get back to you on that. But maybe CTPR, 30%, 35% is the contribution from CTPR, right?

The rest is non-CTPR. So, the pipeline is also very interesting. We are looking at registrations that called a 9(3) registration, which means a limited competition versus, 9(4) which is a lot of competitive players are there. So, we have interesting 9(3) products, which continue to come. And the next financial year has a very interesting portfolio. So, I think we're quite bullish in terms of where we are today.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for the closing remarks. Thank you, and over to you, team.

Rajeev Menon: Thanks, everyone, for joining the call. We value your time and participation. If you have any further questions or need any additional information, please do feel free to reach out to us. With that, we conclude today's earnings call. Thank you very much.

Moderator: Thank you so much, sir. Ladies and gentlemen, on behalf of NATCO Pharma Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.