



“Remus Pharmaceuticals Limited H1 FY25 Investors Conference Call”

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MODERATOR: MS. CHANDNI CHANDE – KIRIN ADVISORS

Moderator: Ladies and gentlemen, good day and welcome to Remus Pharmaceuticals Limited H1 FY25 Earnings Conference Call hosted by Kirin Advisors.

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 any assistance during the conference call, please signal an operator by pressing “*”, then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Chandni Chande from Kirin Advisors. Thank you and over to you, ma’am.

Chandni Chande: Thank you, Shifa. On behalf of Kirin Advisors, I welcome you all to the Conference Call of Remus Pharmaceuticals Limited.

From Management Team, we have Mr. Arpit Shah – Managing Director and Ms. Anjali Shah – Chief Financial Officer.

I now hand over the call to the Management. Over to you sir.

Arpit Shah: Good afternoon, everyone. Thank you so much for having me here. We welcome you all to the Investors Conference Call.

I’m pleased to share the performance of the Company for the first half of FY25, which marks a significant step forward in our journey as the global health leader. We are excited to update you on the progress we have made at Remus, share our strategic vision and look ahead to the opportunities we are pursuing. At Remus, we are proud of our strong global presence with 1800 plus products exporting to over 35 countries with particularly strong footprints across Latin America. What truly sets us apart is not just our broad reach, but the high quality finish formulations we offer with strong branding strategy. A remarkable 95% of our exports are in advanced formulation such as tablets, creams, capsules, injection, inhalers, soft gels, and oral suspensions, providing patients with reliable and effective treatments. We operate to several key channel partners for B2C, B2B, and institutional markets in the countries that we are present. To ensure this, we have a diversified customer pool and we work directly with pharmacists through our subsidiaries, which allow us to serve better both to the patients and healthcare professionals.

Our commitment to innovation and excellence in research and development is the center of our mission. We focus on developing next generation molecules that are not only affordable, but also have a real world impact on the patients. Our R&D team works tirelessly to bring new products across multiple countries. We track the registration expiries for the already developed molecules, ensuring we are prepared for a long-term serving our patients on those medicines. We also place great importance on building strong relationships with healthcare professionals by sharing them latest medical insights and backing our products with robust clinical studies, ensuring that our solutions are trusted and effective.

Looking ahead, our strategy is to continue aggressively marketing and promoting new molecules while expanding our regulatory approvals and market reach. We regularly review and update our products put forward to stay ahead of the industry trend and meet the evolving needs of the global healthcare. Regulatory excellence is a key to the success for a Pharma Company who believes in quality. Our dedicated team ensures that all our products meet the highest standard in every market that we serve. We at Remus are driven by our commitment to improve lives for innovation. We make sure every product we develop is safe, effective and of highest quality. By combining cutting-edge science with a deep understanding of each and every market's needs, we deliver a specialized solution that goes beyond traditional generic solutions.

Looking to the future, our goal is to continue leading the way in developing breakthrough therapies that will have lasting impact on the global healthcare. I have with me CFO, Ms. Anjali Shah and Group Strategist Mr. Vibhu is also on the call.

And I once again thank you everyone to be on this call and give us an opportunity to present who we are, to let you guys know who we are and what we do.

Anjali Shah:

Thank you, Mr. Arpit. Good evening to everyone and thank you for joining the H1 FY25 Investors Conference Call.

I'd like to begin with sharing our financial highlights for H1 FY25. So in H1 25, the total revenue has increased by 797.60% on consolidated basis to 27,555.54 lakhs from 3,069.90 lakhs. Our PAT has increased by 148.09% on consolidated basis to Rs. 1401.12 lakhs. Moving ahead, also considering our TTM revenue has increased by 112.37% as compared to our FY24 numbers. And PAT has increased by 38.83% as compared to FY24 numbers.

Moving ahead, our standalone H1 results are as follows:

Our total revenue increased by 30.99% to Rs. 4021.23 lakhs and our PAT has increased by 22.35% to Rs. 955.29 lakhs. Our standalone TTM revenue has increased by 14.16% from Rs. 6,719.05 lakhs. TTM numbers for the standalone have increased from Rs. 6,719.05 lakhs to Rs. 7,670.37 lakhs. Considering the same, our results which reflect the strength and the resilience of our business model, which is reflecting our continual business relationship along with contribution of our new products which are commercialized over the period, along with that our major contribution from our subsidiary companies from US as well as from the Bolivia, which is operational and consolidated during the quarter. So, these are the results.

In conclusion, our financial performance has reflected a strong commitment to the growth. As we move forward, we will continue to focus on cost optimization, market expansion, ensuring that we are well positioned to navigate the challenges and seize the new opportunities. So, this is it from my side. Over to you, Mr. Arpit.

Arpit Shah:

Thank you so much. So that gives us a brief about our financials as of year to date. To discuss more on who we are and what we do, I would like to go through what is our core competency and give you a brief introduction of who Remus is and what we do.

For Remus, we are specialized in complex specialty and niche molecules. We not just sell the products, we make sure that we capture the market, we brand it pretty well and make sure that the distribution is being done in the several countries that we are present. As we move forward, we have a high approval rate in terms of registering our products in the market that we are present. As I said before, we have close to around 35 countries where we have been registering our products and we have a strong plan of not just doing the normal products, but we are focusing on developing products which has less competitors in the market, first in the market as well as first generics in the market, to ensure that we try and capture the market more as compared to the other players in the market. Putting that into perspective, what we've been focusing on the products where we develop in our R&D facility, the products that we think are going to be off-patent in near future, we'll have more visibility in terms of what are the products where the market can cater it and make sure that the IP that we create. So those development of products are going to be the IP of Remus where we hold the IP as an asset and wherever we want to register those products would give us better margins than the ones which are old molecules.

To talk more into the perspective, we also have subsidiaries in the Latin American market by the name of Relius, its core DNA is to make sure that we have direct presence in the market, in the institutional market, in the pharmacy and we have a lot of doctor enhancement where we do even make sure that the doctors are aware of the brand, what kind of products that we could offer them, stand out from the other competitors in the market where they focus on the products which are already in the pharmacy or in the chain. So we differentiate ourselves by having the niche and new molecules where, as I said before, to have less competition in the market, good margin to acquire and that is what our focus is. So Relius was a plan in terms of differentiating our products from what Remus has and Relius being our subsidiaries in the Latin American markets, we ensure that our direct presence is with the government institutional market. We ensure that our relation goes beyond that and now people know us that our products are already in the market. So that is a brief on the Relius side and one of our subsidiary which is Espee Biopharma which we acquired recently in 2024. It is based out of the US. It has a US FDA approved warehouse in Chicago.

So just to brief you, it's a US-based WDD service provider that provides support to innovators, multinational generic manufacturers, CMOs, biopharmaceutical companies, and government bodies and various other entities in more than 25 countries across 6 continents. So, our primary focus is to provide finished formulation products and services for R&D clinical trials and bioequivalent studies. We have an FDA approved warehouse, as I said, in Chicago. And 40% of what we supply in India, we have a 40%-45% market share of whatever we export from this subsidiary in the US, to India. So that is one of our verticals that we recently acquired.

I'll put that into perspective. So how is it that we are different from other pharma companies? I'll keep it a little short, but just to ensure that we have a robust team who makes research of what molecules will be good for the market. Also, the therapeutic categories that we currently work, it is very important for us to know that how and which molecules are going to be the next blockbuster in the market. And by the same, what we give different from the other suppliers is that we actually test our products to ensure that the product is very efficient on the patient. We do a lot of thorough research to ensure that the product that goes to the patient is of the top notch quality. A lot of molecules that we have developed in our R&D facility include products, not just the normal tablets or the capsules. We are working a lot on PFS, that is pre-filled syringe. We work on tablets where a patient, if a patient needs to have that tablet twice or thrice a day, we ensure that he takes one tablet and that stays in his metabolism for entire 24 hours. So that is called an extended release.

Also, we are focusing on developing soft gels. The next big thing that we think is that people would like to have a medicine in the form of soft gels rather than tablets and capsules. A lot of that research goes on behind selecting such products and introducing in the market as a new way of providing the dosage form to the patients. So that is where a lot of research goes in and our portfolio contributes largely of tablets, injectables, and soft gels. And we also are in the category where we do creams, gels, ointments, and topicals. We have been focusing on inhalers, which is a very niche category in terms of introducing those products in the market. And of course, the suspensions, oral suspensions, is also one of our forte in doing this. So, the product that we have been registered is, as I said, the core, the heart of pharma industry is the regulatory and registration of products. I'm sure every one of you would know that the pharma industry is a pretty organized one where today to create the IP or the asset of a pharma Company, we need to register those products in each and every country. And based on the approvals, the timeline is around 1-1.5 years on those parts. And once we have that approval, we start selling our products. So from day one, we've been focusing tremendously on putting as much registrations as possible in the countries that we are present. So if you see our graph of putting our registrations, you will see there's an exponential number, increase in the number of registrations that we put in.

Currently, I wanted to focus on some numbers so that we have an idea about how many registrations we have. Right from the inception till now, we have been working in total close to around 1900 products out of which we have registered products, 580 products. The products which are under the review of the Ministry of Health of each country is close to around 750 SKUs and there are already 250 products which are in pipeline. So those products are already being planned to register in various countries as we speak. So more or less we have 1900 plus products either commercially sold or either under approval from different Ministry of Health. And our target is by next 3 years, we want to put another 2000 plus products in the market to ensure that our journey for our roadmap for the next 3 years is being taken care of in terms of having new and very niche molecules in the market. So basically from my side, this was a brief that I would want to discuss it out. And on the other side, we look, as I said before that, in conclusion, I wanted to reaffirm my commitment to driving growth and creating long-term value for our stakeholders. And I'm pretty much confident that our ongoing expansion, strategic

investment and focus on the operational excellency will continue. That will of course strengthen our position as a leader in global healthcare. So, I want to again thank you everyone for being here and me and Anjali and my Group Strategy person are ready to take any questions that you might have from your end. Thank you so much.

Moderator: Thank you very much. We will now begin the question and answer session. We have first question from the line of Tara Kaur from EY Capital. Please go ahead.

Tara Kaur: So my question is what were the key drivers behind the extraordinary growth in the revenue?

Anjali Shah: So the key drivers for the growth in the revenue is one of the reasons the consolidated revenue has grown is on account of our consolidation of financials for our US based distributor that we have which is a more higher volume business model due to which has been consolidated for the full period over here. And apart from that on the standalone basis, the growth is on account of the new commercial that we have made, the new registered products which we have started supplying.

Arpit Shah: So as I said previously that as and when we have the registration approval, that's where our revenues are generated. So the key is to have as many registrations as possible that would eventually in a year or a next year will help us grow our revenues to the next level. So that's why the journey has been seeing an exponential growth on that part.

Tara Kaur: Okay, so following to that, my question is that how confident are you that this high growth rate will be sustained over next few quarters or few years? Any potential risk that we are seeing?

Arpit Shah: It is a very good question from your side that we are very much confident that the kind of growth path that we have seen, the graph that we have seen, we would want to carry on that journey on the same level. So what we have been doing is we are selecting the products where there are less competitors in the market. And we ensure that if there are less competitors in the market, that your sustainability of those products in the market is for a longer term. So that is the reason we have been doing a lot of R&D of the products to make sure that there is always a new product or there is always a blockbuster product every year who ensures that this trajectory does not stop anywhere. So we're pretty much confident on having the trajectory in the same pattern as we had before.

Tara Kaur: So you just mentioned about R&D, so I just wanted to know how much percentage of operating expenses, like how much percentage of R&D we are spending on each day or maybe on this quarter if we could get a number?

Anjali Shah: So the R&D calls that we spend currently is around 3% of our revenues on year-on-year basis.

Tara Kaur: And how many products are in portfolio right now? How many products are in the pipeline?

Anjali Shah: Products in pipeline, as mentioned by Mr. Arpit earlier.

Arpit Shah: So for R&D perspective, in our own R&D, we have a projection of around 150 products for the new development of the products you're talking about, right? So the R&D facility that we have it has a projection of around 150 products that we would want to do. And those are going to be put under registration in the countries that we have been present. So based on every year, this list is going to be changing every time depending on the marketing dynamics. And our plan is that next 3 years, we at least have around 800 to 1,000 new products coming out of from our own R&D on that upfront.

Moderator: Thank you very much. We have next question from Babu George, an individual investor. Please go ahead.

Babu George: Sir my question is, how is the Remus leveraging automation and technology to improve operational efficiency?

Arpit Shah: So what we have been doing is, we have been leveraging our operations on having ERP, where all the operations related things are being taken care of in more systematic way. From automation perspective, we already have been working on internal software and internal ERPs to ensure that our operation is smooth enough to take it forward with the growth of business that we are looking in next several years.

Babu George: Sir, are we exploring any new technologies in drug development or production?

Arpit Shah: For drug development, yes, for sure. So for drug development, I thought the question was the other way around. Coming back to that, we have been working on drug development where, as I said, we are working on extended PFS, we have been working on a prefilled syringe, for a lot of products that require a new technology to ensure that the patients have the comfort of having those products. We've been working a lot on liposomal injections, which again is for critical care, they have the best results. We have been working on those combinations. So if you see our portfolio, we have also had a lot of combinational products where the patients take 2 medicines or 3 medicines separately, but we have combined the medicines in a way where there is a double combination or a triple combination, and the patient just have to take one and is good for the day. So we've been working on bi-layer products as well. They have good absorption ratio in the body. So yes, these are the kind of things we have been working on from drug delivery perspective.

Babu George: My next question is with the impressive growth in revenue, how is the Company managing cost to ensure profitability continues to rise with the growth in the revenue?

Anjali Shah: Yes, so thank you for the question, Mr George. So as you can see that with the current cost as mentioned by Mr Arpit earlier that we are in process of registering products in different regions at different places. So the cost is incurred over the years that we have already done and we are getting the approvals today as of date where we are ensuring that the commercial production, commercial supplies are done on the timely manner with maintaining our gross margins and

ensuring that our costs are also optimized at the same time to ensure that the margins are not suffered.

Arpit Shah: And also to add to Anjali is that, so if we have one product and all the documents of the product is ready with us, it is not just for one country. So we put one product, one dossier to and we go ahead in multiple markets and register those products. So if my cost on one product is there, but if I put into multiple markets, it is divided among the countries where we want our presence. So that also is an advantage to us that we already have these channels in other countries where if we have developed one product and we pretty much know that that is going to work in other markets, then we go ahead and register those products as well.

Babu George: So my next question is, with the remarkable growth we have seen in the H1 FY25, how does the Company see the second half of FY25?

Arpit Shah: We have very strong expectations for the next H2. And what we have been doing is for H2 FY25, we have a reasonable order booking that is already being executed. And we look forward that even for the geographical expansion that we are doing at present, we have a lot of potential to increase those numbers when it comes to next H2 or H1 of 2025. And looking at the B2C market that we have started, we think that that will eventually make our margins much better than the B2B business that we used to do. And just to give you a perspective that our B2C product itself portfolio by next quarter is going to be more than 200 products. So we expect a strong growth and we expect that these B2C products are also going to add a lot of, it will back the numbers and the growth that we are eyeing and expecting.

Moderator: Thank you very much. We have next question from Priya Jain from Green Capital. Go ahead please.

Priya Jain: So you mentioned that you spent 3% of revenue for R&D. So my question is how do you expect this to change in the near future? Are you guys planning to spend more on R&D? Do you like to quote any amount for that?

Anjali Shah: So the quoting an amount rather than that, we are maintaining this 3% since last few years that is on record. And we would like to continue to maintain that percentage in near future as well. There is no major change on that part.

Arpit Shah: Just to add on this, we expect our revenues to increase, right? So with that, our spending in the percentage and absolute life will also be nearby those that we do it every year. So that's something that we'll stick to that calculation for now.

Priya Jain: But my next question is, how does the Company work with healthcare professionals in product development and clinical studies and post-market surveillance? What role do they play in your product innovation cycle?

Arpit Shah: So for health professionals is related to the B2C business that we started and for our doctors are our health professionals where we not just let them prescribe our drugs, but we do a lot of pharmacovigilance where we get the feedback from this health professional in terms of how our product is working in the market, how patients are happy, what is the efficacy of the product? And those reports are being gathered from them to actually know which are the products that we have been, are we being competitive in terms of pricing our patients, happy with the price, is the efficacy there or not? And in fact, we have been doing a lot of conferences and events to make sure that the doctors does not feel that this is any other Company from India coming and selling the products. We pretty much make sure that our products are tested. We do it without the cost and make sure that our products get real-time feedback from the patients. And we make sure that those are the products that we market and ensure that the supplies are there with the patients. So coming back to your healthcare professionals, our doctors are the main where we touch point and not just several, we pinpoint and have connections with the doctors who are pretty much in every therapeutic categories because our portfolio is spread out between 15 different therapeutic categories. So yeah, that's what I would want to say on that part.

Priya Jain: Okay, so I have one more question. Can you share any details about your next generation molecules? Are you focusing on any particular therapeutic areas or disease indications?

Arpit Shah: Correct. There are several molecules I could talk on that, but we've been working on one of the PFS that we have been developing, which is, if you might have heard is Ozempic that we've been doing on the generic part of the semaglutide. It's a blockbuster product in the US and everywhere else. It's a talk of the town. So we've been developing those products in-house. Also, we've been doing ER products where the immediate release products that have been there. And we've been focusing that those products can also be developed from extended and prolonged releases as well. So our pipeline of product is pretty much the newer ones where that is going to be our driving force for next few years to get those registrations. So as I said, I mean, Ozempic (semaglutide) is the one that we are being very keen on. It's already in the process of development. So we anticipate that once it's ready, it's going to add a lot of value to our revenues.

Moderator: Thank you. We have a question from Gaurav from India Bridge. Please go ahead.

Gaurav: So my question was that you have another Company from the group that's IPO bound. So I just wanted to learn what's the delineation between the two companies? Are they focused on separate segments, separate geographies? Is there any crossover? Could you throw some light on that?

Arpit Shah: As you know that the other Company is something that we already have an approval on DRHP and RHP is under the process. So for me, I would rather refrain from answering anything related to that Company. Both these companies are pretty much different, products are different. Basically, we don't want to have any of the conflicting on both the sides and our geographical territories are also different where the other Company is more into regulated markets like US and Europe and for us we've been focusing on in-licensing for rest of the world market. Also, the dosage forms of the products that we have is also very much different from them. So if you

look at the products that are from regulated markets, they are pretty different than the rest of the world products. So, there is nothing that coincides between both the companies.

Gaurav: Sure. As far as Remus is concerned, I see that there's very little fixed assets on the books. So we are largely an R&D and then marketing organization. Would that be a correct assessment?

Anjali Shah: So I think the fixed assets that are shown on the books are more of the office-related equipment for the registered office, as well as one of the major cost is for the R&D center that is being set up. And these are the only fixed assets that are there on the books.

Gaurav: And could you throw some light on the geographical bifurcation of your revenues, probably for the last H1?

Anjali Shah: Geographical revenues, I think more of it, the area that we focus on currently is of the LATAM countries. And apart from that, we also supply to a few of the countries, Mexico.

Arpit Shah: So, I'll answer it in a pretty shorter way. The reason being is I could list out all the countries that we've been doing. But so from geographical expansion, currently what we have is Latin America is major of the revenues are generated because that was our first stepping stone when we start from the inception of the Company. But on the expansion side, we are also having products registered in Africa, South East Asia and CIS. So from next year and moving forward, the revenues will be generated between these four continents as we speak.

Gaurav: Sure. And you mentioned B2C business also taking form. So is that going to be largely India-centric or in LATAM?

Arpit Shah: While we are total into exports so that will be more focused on the Latin American side.

Gaurav: So Remus does not have any domestic business then?

Arpit Shah: No.

Gaurav: So you will have your own field force to do ethical marketing and all of that. Would that be the right assessment?

Arpit Shah: Correct. That's right.

Gaurav: So you would start with certain particular countries or geographies that you are already strong from. So where are those geographies where you are going to roll this out?

Arpit Shah: We've already been doing Guatemala, Bolivia and Ecuador, and we have two more countries to be planned in next, I mean, Q4, if you tell me, Q4. So that's the plan.

Gaurav: Right. And you've seen stupendous ramp up of your revenue. So I must commend you on that. So I know someone asked this question before, but maybe a little more nuance. What is it that's helping us drive such a tremendous revenue growth? If you could mention some points about your strengths in these geographies, or what is it that differentiates you from the others?

Anjali Shah: Yeah, so I would take this up. So for the revenue growth, as I mentioned earlier on the standalone basis, we are growing at the rate of 30.99%. So basically, the growth is on account of new products that are registered and we are commercializing those products as well as the existing ones as well we are supplying it to the new geographies. So considering both of these factors, the standalone revenue growth is justified and we continue to do so. For the consolidated ones, as I mentioned earlier, that one of the key factors which is showing the revenue growth is the consolidation of our US-based subsidiary which is into a distribution business that are the key factors which are driving the revenue growth.

Gaurav: And this slight drop in the margins vis-à-vis H2 of last year is on account of higher contribution from distribution, right, from your distribution entity?

Anjali Shah: Yes, so the consolidated margins that you are seeing, that is because of the distribution business, which was consolidated first time in the H2 of FY24.

Gaurav: From H2 24, you started consolidated?

Anjali Shah: Right.

Gaurav: And what's the nature of that distribution entity? Could we throw some light because you mentioned that you are largely focused on semi-regulated markets. So what's the US subsidiaries' focus area and what are they distributing and where are they distributing?

Arpit Shah: Our US subsidiary is more into distribution and export of RLD, which in a simpler term is innovator products, where those products are being used by a lot of generic manufacturers across the globe. If a manufacturer needs to develop a generic version of a product, then he needs to compare his medicine with the innovator. That's where we come in where we provide innovator products to name it any Company in India and US subsidiary might be supplying those products to them. So in a simpler way, it's the product where it's an original product. And then if you want to make a generic product out of it, the manufacturer has to compare it with the original product. So that's where we come in. And this business is always, it's a higher volume, lower margin. So that's why you pretty much could see on the...

Anjali Shah: So one more point to add on this. So as Mr. Arpit just mentioned that the reason that you were seeing the drop in the margins, the reason is that the US distribution entity is more focused on the higher volumes, lower margins because of the nature of the business. So ideally this should be like in overall times, it is more of a contributor to the ROE than to the EBITDA levels that

you are referring to. So I think that is a better way to present and refer to the returns that are being earned by them.

Gaurav: And in gross margin front, so on your actual business, B2B business, what are the gross margins like there? What is the gross margin of the distribution business? And what are the gross margins going to be like once you scale up the B2C business? So the three segments, what do the gross margins look like?

Anjali Shah: Yes, so for the B2B business that Remus standalone does, the gross margins are maintained at 53%, which we plan to continue even with the growth in our turnover. We would like to continue and sustain the said GP. On the US front, distribution front, as I mentioned that it is a higher volume, lower margin business, so the gross margins are around 8% for us. So in overall terms, the gross margins are coming around 40%-42%, which is a sustainable gross margin, and even with the growth in the turnover, we plan to maintain it above 40%.

Gaurav: So standalone, your gross margin should be 53%, and consolidated, you will have 8% business coming into consolidation, right?

Anjali Shah: Yes, 8% of gross margin.

Gaurav: Yeah, so and B2C business, where can you take this 53% to if you start marketing yourself?

Anjali Shah: So for B2C, we are anticipating currently around 65% to 70% of gross margins.

Gaurav: So what percentage, so maybe FY27, because it does take some time for you to penetrate B2C. So maybe by FY27, the year after next. What kind of contribution could we see from your B2C business?

Arpit Shah: Gaurav, so for us, what we have anticipated for the coming years, we're looking at least from whatever revenues we generate, the B2C business would be around 15% to 20% of our revenues. And from the growth, you were talking about the margin, so we have just started this B2C business. So we've been looking at, as Anjali said, is around 65%-70% of the gross margin that we are working on it.

Moderator: Thank you. We have a question from Aditi Roy from Patel Advisors Private Limited. Go ahead, please.

Aditi Roy: My question is, how is Remus leveraging automation and technology to improve operational efficiency? Are you exploring any new technologies in drug development or production?

Arpit Shah: I think we have already answered this before.

Aditi Roy: How have currency fluctuations impacted your revenue and profit growth, particularly in Latin America and other emerging markets?

- Arpit Shah:** So for us, when it comes to health care and medicines, I think the political part does not affect the industry that we are because everyone who is wanting to, this is a basic necessity of every country in Latin America, be it they are politically unstable or not. But from us, we had some challenges, but for the rest of the year, we think that according to our risk management factors that we take into perspective, we are okay. And we see that there shouldn't be any problem for the next year as well when it comes to the rest of the world and Latin American markets.
- Aditi Roy:** And my last question is, what strategy are you employing to maintain or further expand profit margins in the coming quarters?
- Anjali Shah:** So we are planning to, as mentioned by Mr. Arpit earlier, the revenue growth that we are looking at a strong revenue growth, along with that, we are also planning to maintain the profit margins that we currently have.
- Moderator:** Thank you. We have a question from Jairaj Jain from EY Capital. Go ahead please.
- Jairaj Jain:** So can you explain like how your tax position or tax planning has evolved and how does it contribute to the Company's bottomline?
- Anjali Shah:** So on the tax part, I think it is the margins that we have, the PBT levels that we have, that is the effective tax rate for us is around 25%, which is generally applicable to the companies where we are taking the 115BAA. So that is 22% plus surcharge and the cess. So the effective tax rate is around that number only.
- Jairaj Jain:** Okay, great and can you provide more details on your upcoming models or your products which is in your R&D and how far are these in terms of regulatory approval?
- Arpit Shah:** Correct, so whatever products that are in R&D are on different levels of filing or different stages of readiness of the documents. So if you would ask me which products we would tend to keep it more close on the molecules that we are working on it, but we're still in the different part of the process to ensure that the registration goes out immediately on that. So we'll have more updates as and when we are there to answer this question.
- Moderator:** Thank you very much. Participants, we will take that as a last question for the day. I now hand the conference over to Ms. Chandni for closing comments.
- Chandni Chande:** Thank you everyone for joining the conference call of Remus Pharmaceuticals Limited. If you have any queries, you can write to us at research@kirinadvisors.com. Once again, thank you for joining the conference. Thank you, sir. Thank you, ma'am.
- Arpit Shah:** Thank you.
- Moderator:** Thank you. On behalf of Kirin Advisors, that concludes this conference call. Thank you for joining us. You may now disconnect your lines.