



“RPG Life Sciences Limited
Q2 FY '26 Earnings Conference Call”
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Moderator: Ladies and gentlemen, good day, and welcome to the RPG Life Sciences Q2 FY '26 Conference Call hosted by Dolat Capital. 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 this conference call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Ms. Candice Pereira from Dolat Capital. Thank you, and over to you, ma'am.

Candice Pereira: Thank you, Ashok. Good evening, everyone. I Candice Pereira on behalf of Dolat Capital, welcome you all to the Q2 FY '26 Earnings Call of RPG Life Sciences Limited. I would like to thank the management for giving us this opportunity to host the call. Today, from the management team, we have with us Mr. Ashok Nair, Managing Director; and Mr. Vishal Shah, CFO.

I now hand over the call to the management for the opening remarks. Over to you, sir.

Ashok Nair: Thank you, Ms. Pereira. Thank you. So a warm welcome, and thank you for joining us today. It's a pleasure to engage with you and share our Quarter 2 and H1 updates. Just to let you know about us, RPG Life Sciences continues to evolve as a future-ready integrated pharmaceutical company built on a foundation of legacy, strong processes and quality and high patient and doctor trust.

We are transforming ourselves. We are innovating with a purpose, leveraging digital initiatives and strengthening our ESG practices as we continue to outperform the market. and create value for patients, partners and stakeholders. RPG Life Sciences stands dedicated to supporting India's emergence as a global hub for pharmaceutical innovation, while upholding the highest standards of quality and ethics.

To begin with, let me first start with a brief introduction of the company. RPG Life Sciences has a rich legacy spanning over 50 years. We began as a joint venture between GD Searle and RPG and today, an integrated research-based pharmaceutical company operating in the domestic and international markets in the branded formulations, global generics and synthetic API space.

Our reach extends to over 100,000 doctors, including 36,000 doctors super specialists. We also have a doctor engagement platform known as RPGserv, where we leverage GenAI and multiple digital tools to continuously engage with doctors pan-India. Our reach expands to a wide range of doctors, including nephrologists, rheumatologists, oncologists, urologists, neuropsychiatrists, gastroenterologists, cardiologists and of course, GPs and physicians.

We have 6 textbook brands. And by textbook, I mean that they are continuing to be taught in medical colleges across India. Our manufacturing capabilities include 3 state-of-the-art facilities, 2 for formulation and another one for API. We have 3 R&D setups, formulations R&D, API R&D and analytical R&D in place. And we have a good line-up of new products, both in the international formulation and in the API business.

Talking about domestic formulation business, which contributes to more than 70% of our business, I'm happy to share that we have grown at 17.2% in quarter 2 FY '26 over quarter 2 FY '25. And according to Pharma Track AWACS September '26 database, while the Indian pharmaceutical market grew by 7.7%, our domestic formulation business has outpaced the market with a robust growth of 17.2% in quarter 2, which means that we have grown 2.2x than the market. This places us in becoming among the fastest-growing pharma companies in India.

Talking about H1, while the Indian pharma market has grown by 7.4%, we have grown by 13.5% without compromising on margins. FY '26 to date has been positive for us. We advanced our IPM ranking by 6 places, moving from 62 in previous year to 56 this year. And our performance is driven by volume expansion, strategic brand building and disciplined execution. And this has been aided by our multiple medical marketing initiatives.

Our largest brand in our pain management portfolio, Naprosyn, grew 16% Y-o-Y in H1 FY '26 and is on track to become our first INR100 crores brand soon supported by robust medical marketing initiatives, deeper doctor engagement, strong brand equity and life cycle management strategy.

Beyond Naprosyn, our immunosuppressant portfolio is anchored by top brands like Azoran, Mofetil and grew by 12% in H1 with strong momentum from scientific engagement programs like PG excellent initiatives and where we engage with young specialty doctors. We are well on our way to building this into an INR100 crores franchisee as well.

Apart from our largest brand, Azathioprine, we have launched 3 more molecules in the immunosuppressant category, and we are focusing on life cycle management, therapy expansion, improving share of voice to first make this as a INR100 crores basket and then accelerate towards building this to be a INR200 crores portfolio.

We are working towards the entry into the category of future, which is biologics, where all the big and progressive MABs have been launched by RPGLS and we are occupying a growing market share. Our MABs portfolio also saw 21% growth in H1, supported by strategic launches, expanded specialty coverage and strong health care professional and key opinion leaders engagement.

We are actively exploring additions to this high-margin, high-value segment. We have also activated our hidden gem strategy, identifying legacy brands like Norpace and Serenace for revitalization. Norpace in particular, grew 62% in H1, and we are scaling up awareness through CMs, journal publications and targeted campaigns.

Across our top therapy baskets, pain, Cardiovascular, Nephro, Onco and Rheuma, we have recorded healthy double-digit growth. For example, the pain basket has grown by 21.1% in H1. Nephro basket has grown by 27.2%. Rheuma basket has grown by 42.5% and oncology basket has grown by 16.3%.

To transform our iconic brands into strategic assets, we have implemented a comprehensive lifecycle management strategy. Our new line extensions have gained significant traction, further strengthening the mother brands. Operationally, we have made significant strides in sales force

productivity, which now stands at INR6.5 lakhs per rep per month, up from INR6.1 lakhs last year.

Our specialty productivity remains among the highest in the industry with a INR16 lakh+ PCPM in quarter 2. We improved sales hygiene, reduced expiries and returns and enhanced doctor engagement. Our continued improvement in business hygiene include a series of structural interventions aimed at enhancing sales force effectiveness. We have empowered our medical representatives through targeted automation and digital initiatives, enabling them to unlock productive man hours and improve field efficiency.

Along this, we are focused on further building a culture of data-driven decision-making with strategic targeting, medical marketing rigor and focused doctor engagement to strengthen our commercial execution. These initiatives are not isolated efforts. They are part of our broader transformation agenda. Another critical area we have strengthened is our launch excellence framework designed to ensure successful product introduction while avoiding portfolio clutter.

In H1, 2 of our new launches have already demonstrated strong traction, each recording monthly sales of INR1 crores. This performance is a direct outcome of our data-backed and launch excellence approach. Our proprietary doctor engagement platform, RPGserv, is also being upgraded as part of a broader digital road map to lead with AI-led engagement and to upgrade the platform use cases.

Now the launch of RPGserv 2.0 is focused on enhancing the doctor experience through intelligent personalized interactions. It is evolving into a powerful tool for expanding our share of voice and deepening doctor relationship across specialties.

Talking about international formulation, which contributes to 20% of our business, we are executing a long-term build strategy focused on regulatory readiness, R&D output and audit preparedness. In quarter 2, our IF business has grown by 7.0%. We are expanding our customer relationship in Canada, Africa and continue to focus on measures to enhance customer centricity. Our scientific strength has increased, and we are actively tracking market gaps to drive revenue.

I also want to highlight that we currently don't have any exposure to U.S. market. Amidst global uncertainties and pharma tariff threats, we are focusing on consolidating our business into our core export regulated and emerging markets with a clear focus on 3 pillars, that's new customers, new markets and new products. We are actively expanding into emerging markets such as Myanmar, Vietnam, Philippines, Thailand, Sri Lanka, Egypt, Sudan and South Africa with product registrations underway.

In APIs, which contributed to 9% of our business, we have faced headwinds in H1 due to fire incident at our factory in January. I'm pleased to share with you all that the plant has now been fully restored with over 140,000 safe hour works. Our dedicated team of over 250 professionals work day in and day out and with utmost efficiency to complete the restoration on time. We expect to come back better and stronger than before and bring the saliency of API sales.

Our revenue from operation is up by 7.6% this quarter, INR181.7 crores this quarter versus INR168.9 crores in quarter 1 FY '26. Similarly, our EBITDA is up by 7.1% from INR40.7 crores

in quarter 1 FY '26 to INR43.6 crores this quarter with a healthy EBITDA margin of 24.0%. Our PBT before exceptional items is also up by 7.9% over last quarter.

Coming to our H1 FY '26 performance, we have recorded a 3.8% revenue jump over H1 last year. Our EBITDA remains normally affected primarily due to the fire impact leading to some other deliveries getting postponed to H2. H1 PAT, excluding exceptional items, stood at 15.6%.

We continue to maintain a strong balance sheet. RPG Life Sciences remains debt-free with high cash surplus. The figure has risen to approximately INR223 crores. This is despite our significant capex investments in modernizing and enhancing our plants of INR140 crores plus over the last few years.

All plants are modernized for future to help enhance capacity, bring efficiencies and grow our sales and exports. The long-term ICRA rating has been reaffirmed at A+ with the outlook remaining stable, while the short-term rating has been reaffirmed at A1. Our strong financial foundation and prudent capital deployment empower us to pursue both organic and inorganic growth opportunities. Strengthening our presence in domestic and international markets.

We are well capitalized and actively pursuing inorganic growth opportunities across both formulations and APIs with a disciplined approach to prudent valuations, which are value accretive to our shareholders. In quarter 2, RPG LS was recognized as the leading mid-corporate of India 2025 by Dun & Bradstreet. This is a result of strong operational and quality focus, which continues to fuel our growth agenda.

This award is in line with the Best Corporate, Best Brand, Best Patent, Best Corporate Citizen and Best Value in Action award that we have received in recent years. As part of a diversified \$5.2 billion RPG Group, we follow highest principles of corporate governance, ethics and people centricity. We believe that the organizational development and people centricity are as critical to our success as our business strategy.

Over the past year, we have made significant progress in strengthening our leadership pipeline and fostering a culture of well-being and purpose. Our focus on talent development and retention is unwavering. What truly sets us apart is our commitment to employee happiness. RPG is the only group to have adopted our happiness as one of its core organizational values. This commitment has not only contributed to our growth, but also a high happiness quotient among our colleagues, making RPG Life Sciences a truly happy organization.

We are deeply committed to building a sustainable and responsible future. We have embarked on a well-chartered ESG journey, and I'm pleased to share that we have made significant progress across our environmental, social and governance goals. These outcomes reflect our focused efforts in operational sustainability and our commitment to environmental stewardship.

Thank you for your continued trust and support. And now we are open to -- for the floor for the Q&A. So it's for the people, I think, who missed out, I was talking about the domestic formulation business first for the quarter 2 and H1 performance, in fact, which contributes to more than 70% of our business. And I'm happy to share that we have grown by 17.2% in quarter 2 FY '26 over quarter 2 FY '25.

According to Pharma Track AWACS September'26 database, while the Indian pharmaceutical market grew by 7.7% of our domestic formulation business has outpaced the market with a robust growth of 17.2% in quarter 2, which means that we have grown 2.2x than the market. This places us in becoming among the fastest-growing pharma companies in India.

Talking about H1, while the Indian pharma market has grown by 7.4%, we have grown by 13.5% without compromising on margins. FY '26 to date has been positive for us. We advanced our IPM ranking by 6 places, moving from 62 in previous year to 56 this year. Our performance is driven by volume expansion, strategic brand building and disciplined execution. And this has been aided by our multiple medical marketing initiatives.

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Thank you very much, and we are open for questions now.

Moderator:

Thank you sir. We will now begin the question and answer session. The first question is from the line of Ahmed Madha from Unifi Capital.

Ahmed Madha:

I have 3 questions, and I'll go one by one. To start with, if you can give some context in terms of restoration for the plant where we had fire, so you gave a brief update, but if you can give a little more sense where are we? Is the utilization has picked up or no?

And in terms of second half, on an annual basis, is it fair to expect we should be able to do the catch-up for all the negative growth we had in API business in first half. So some context around that on the full year basis, how you are seeing the volumes picking up will be helpful?

Ashok Nair:

Sure. Thank you for the question. So to first talk about our MF4 restoration, we are on time. And in fact, more than importantly, we are on budget of the restoration of it. And the valid -- the intermediate batches have already started. And normally the validation takes 25 to 30 days.

So we should be able to commercialize by November last week, December, first week. And the plant is not only restored, but we have also put new systems and new tech systems, where it ensures that we do not face any future risk in our operations.

As far as the business you state, yes, the pipeline for us was always strong. The challenge was we were not able to produce because of the fire incident, which happened. We did some mitigation by trying to get it to our CMOs, but that was only partially successful, and the H2 looks favourable for us. And by the year-end API should be back on track.

Ahmed Madha:

Noted. And similar context on gross margins, if we look at last couple of quarters, there has been gross margin compression for us. So can you give some context? Is it related to anything around because we don't have our own captive API, we have been buying for a formulation business

from outside, something of that sort? If you can give some context because gross margin compression is very extreme, 5% year-on-year basis. Even if I look at first half, the compression is around 3.5%, 4%. So if you can give some context on gross margins as well?

Ashok Nair:

So partially, you are right. It's -- part of it is because of our captive we've not yet been able to do. The second is, of course, because of the API. The fire incident has let down almost to the tune of a sales loss of INR16 crores. So all those are actually related to that.

So if you look -- yes, and the second thing was we were also not being able to feed our own captive consumptions. And for that, we also had to depend on some CMOs. So overall, again, it is due to the fire incident in the API plant, which we had.

Ahmed Madha:

Okay. So is it fair to assume your API business has better gross margin than overall business? I would not think so. But is this the case?

Ashok Nair:

For us, all the 3 are on the similar lines. So it's not that 1 is another -- up than the other one. So it's almost on the same lines.

Ahmed Madha:

Okay. Last question before I get back in the queue. Just to understand the domestic business, I want to understand how should I split your growth composition, right? So I'm looking at it 2 ways. 1, in terms of volume, price and new launches, if you can give some breakup for Q2 as well as first half? So an 18% growth or 17% growth we reported in Q2, which is a phenomenal number. So volume, price, new launches, can give some breakup?

And secondly, I look at the portfolio in 2 ways like we have a lot of legacy textbook brands like Naprosyn, Azoran, a couple others -- a few others. And then we have a few new launches in specialty biosimilars, meds. So in that also, you can give some sense between the growth rates between the 2 portfolios?

Ashok Nair:

Yes. So first, I'll give you the split of volume price and the new introduction growth. So as compared to IPM quarter 2, where the volume was minus 0.20%, we've grown by ~8%. Price against 5.50%, we have grown by 2.9%

And if you look at our new introductions, we have grown by 5.90%, versus 2.40%. So overall, you will see quarter 2 our growth was 17.20% versus 7.70%. Coming to H1. Our growth has been 6.8% in volume, 2.6% in price. New introductions has been 4.10% and the total growth has been 13.5%.

Moderator:

The next question is from the line of Sudarshan Padmanabhan from ASK NDPMS.

Sudarshan Padmanabhan:

So this is -- in context, taking over the previous participant's question on the gross margin. Now if I look at the commentary, I mean, we have done a fantastic job on that domestic formulations and if I look at the domestic business over the last few years, have moved out of nonprofitable or lower profit products and focus more on more profitable products.

And even in the last few quarters, the focus has been on specialty and chronic, which I would assume inherently would have higher margins and of course, operating leverage would also play.

In that context, every quarter, I am seeing that the gross margins have been coming down, I mean, consistently. So one, I would assume that partly it's because of we rely more on third party.

But the second, because now that we have cash, what are the steps that we are taking to ensure that the gross margins can go inch-up going forward. And second is with the field force productivity kicking in, how do we see our margins in the longer term in terms of overall business?

Ashok Nair:

So we have, in fact, launched a project known as the LEAP Project, where the focus is totally towards the cost optimization. Rationalization. And we are running a project where we are looking to the margin expansion. We also looked into -- and not look, we have done strategic bulk purchases, whereby we get value in that. And also the CMO optimization have been initiated.

The ESG strategy and initiatives has been expanded. This will actually help us to bring our cost improvements as well. We have initiated another project, known as Project Velocity to expand our international business. And Project Elevate to relook into our whole portfolio optimization and the GTM strategies. So this is where we are. Anything else, if you have on this, I'm happy to answer.

Sudarshan Padmanabhan:

Yes. I mean in terms of where we were, I mean, do we have any specific target in terms of how much do we want to cover in terms of what has been the impact? And how much do we want to cover in the next, say, I'm not necessarily talking about quarter-wise, but I'm talking about over, say, the next 3 to 4 quarters?

Ashok Nair:

So we will continuously improve. We've not set a target for it, let's say. But on the specialty, which you said that we've got higher margins, if you look at the industry, the specialties margins are actually lower than now that because there's a different there's a chronic and there is a specialty MABs. So if you look MABs, the margins are actually eroding and that is a place where we need to drive volumes in that and then overall get to the results.

Sudarshan Padmanabhan:

Sure. Sir, my second question is strategically on the domestic side. I mean how much is current contribution of chronic and the specialty and with respect to the field force that we have built, I mean do we still have wide gaps that we would like to fill in terms of newer therapies? Are we looking to engage in terms of using our cash in terms of bolt-on brands. I mean do you believe that you want to acquire smaller companies in terms of filling the gaps? Or do you think that bolt-on brands would be more specifically? A little bit more on the strategy on that side?

Ashok Nair:

So before that, I'll answer your first question, our chronic dependency contribution is 20%. And the acute is around 80%. Now coming to the cash surplus, which we have, we are looking into - - we are open to both. We are opened to brands. We are opened to API, we are open to formulation. But at the end of it, we need to acquire an asset which is prudent, which is value accretive to the shareholders. And we are open to it. In fact, we are already looking into it and working on it.

Sudarshan Padmanabhan: So one small thing before I join back the queue, it's more on the industry side. We saw the GST getting in -- coming towards the fag end of the quarter. I mean, clearly, we have done significantly better than the market. So we are not being impacted some color on how you think we have done -- handle the GST better. What was the kind of impact, if at all, any in terms of the overall market because of GST?

Ashok Nair: So I think we were very proactive as compared to the industry. In fact, we were one of the first to communicate to our distributors and the channel partners that if there is any -- if there any -- in the operations, if anything the hurdle comes, we are there to support them and help them. So that's one of the reasons. In spite of actual purchase for the industry started after 22, for us actually we did not have such issues for us, the business was continuing even when the trouble period is going around.

So I think our team handled it well. We were very proactive, our communications had got quite earlier. In fact, many people reacted to our communications, the other companies followed us. So I think that first mover helped us to resolve this GST challenge, which we had.

Moderator: The next question is from the line of Aditya Chheda from InCred Asset Management.

Aditya Khemka: This is Aditya Khemka here. I was referring to Slide 10 of your investor presentation, where you have listed out 10 initiatives that the company will be working on. The initiative number 9 and 7 and 6 which are innovation projects, digitization projects and MedTech projects. Could you just give us like a brief insight into how -- what are these projects? What are you looking to do in the innovation, M&A and MedTech side?

Ashok Nair: Let me talk about digitization projects. 1 is we have automated the complete field force right from reporting from the life sales reflections earlier, a lot of man overs were going in entering manually. So that's something which we have automated it completely.

Second, our -- we have also -- not -- I do not say relaunched. We are actually making our RPGserv 2.0 more robust to enhance the doctor experience. And the focus is beyond in clinic utility, how do we actually improve the content for that particular specialty.

Second, we have our own app known as RXR app, which for the field force empowerment. And this is one single platform where all field-related analysis issues have been addressed. The third is we've been digitizing our finance for process efficiencies, the automation of MSV, vendor identification bank reconciliation and also implementing our e-LIMS to manage a track and optimize lab operations, laboratory information management system. This is as far as the digitalization is concerned.

As far as the innovation, the innovation is all in the R&D. We are looking into the products as our strategy has been to enter into the niche place, niche markets, niche molecules rather. And that is something which our R&D pipeline is working on. We are working on some combinations, which are internationally approved but not yet available in this country.

That's something is on the work. And the third piece is the molecules, which how do -- with the molecules which are not very rampant, but -- which is very difficult to make. So that's the position which we are looking to it.

As far as the MedTech is concerned, we are still looking into it. We are in discussions with various start-ups and various companies, but nothing has finalized as of now, but that's a part of our future strategy.

Aditya Khemka:

Understood, sir. And sir, on your aspirations to make Naprosyn the next sort of INR100 crores brand in India or for RPG, the first brand in India to reach INR100 crores. How is the molecule relatively positioned in the market compared to giants like ibuprofen, diclofenac, aspirin, which are all also NSAIDs. So what -- scientifically, are we doing any R&D, any research, educating doctors? What edge does Naprosyn have over diclofenac and ibuprofen or an aspirin when it comes to the NSAID category?

Ashok Nair:

So first, let me talk about the safety, efficacy and the side effect. So Naprosyn is one of the most efficacious Nonsteroidal Anti-Inflammatory Drug. And comparatively has got lesser gastric irritation as compared to ibuprofen and others. So -- and Naprosyn as we were the only ones actually. There are not much competitors you must be aware. And that is one product we realize that if we have to make it big. It is we who will have to speak and take this brand to the next level.

So we have initiated various medical marketing initiatives, where we have something known as we have started in 149 master sessions, where Orthos train Orthos. We also have something known as experts program where Orthos train GPs and CPs almost, in fact, 2,800 doctors have been engaged pan-India.

We already have around 10,600 doctors for conversion via focused scientific campaigns. For the first time, we have started participation in Ortho conferences. Dedicated focus has been on Naprosyn.

So there has been a lot of initiatives here. And in fact, as compared to the earlier 3% growth you must have seen earlier, we are consistently growing at 16%. And one thing is we being the leader, we need to drive the market. We need to shape the therapy, and that's what we are now doing.

Aditya Khemka:

Understood, sir. Sir, any of this research has been published in any medical journals like any GM or any other medical journal?

Ashok Nair:

So in fact, we are doing some trials, which will be published once the trials are getting over.

Aditya Khemka:

Any timelines on that, sir?

Ashok Nair:

We can't timeline that.

Aditya Khemka:

Okay. And sir, last question I have is again on the gross margins. So I was just sort of looking at the trend of API and key material pricing, which are getting imported into India. And I see

that there is a declining price trend over the past almost 6 quarters now. API prices and key material prices have been declining, the import cost.

On an average, obviously, different products might have different level of decline or increases. So I was just slightly surprised to see our gross margins consistently coming off. I understand you said MABs, there has been a pressure in margin. So I would just like you to spend 1 minute on MABs, if you can, why there is a margin compression in MABs?

And second, if you can just talk about why are we still seeing decline in gross margins despite declining API and KSM prices? That would be really helpful.

Ashok Nair: So if you look at our API, the molecules which we are present, there has not been a price erosion because we are in niche space. And that's the reason of this erosion is because of the fire, because of the onetime exceptional item. And as I said, we almost have a sales loss of INR16 crores. So that's the one which has affected us. Otherwise, our API has been a steady business. And unlike other API molecules, which is there, we have not seen any price erosion in the last many years.

Aditya Khemka: Right. Sir, could you just also spend 1 minute on the MABs bit? You said that the MABs? You are seeing some margin compression. So why is that?

Ashok Nair: So in general, if you see the MABs -- as more companies have started producing the biological competition as space has increased. There has been a price war among the MABs across the industry. So there has been a price erosion. MABs are, in fact, coming down. So that is where we are also launching MABs, the new MABs where there is not much competition. And in fact, the whole strategy has to be accelerating the volume backed growth despite the pricing pressure.

Moderator: The next question is from the line of Aditya Goyal from Matterhorn Investment Advisors.

Aditya Goyal: I have a question, especially on one of the points from the initial address. You mentioned Norpace had a 62% increase. So can you please provide more details on that in terms of volume value? And what's the overall share of this particular -- I think it's a part of the textbook brands.

And also along with it, you mentioned a strategy -- strategy for Norpace and Serenace, I believe. So what's the strategy there? And in general, the third part of the question would be how much is the market? And can we expect this brand to become a big part of the portfolio?

Ashok Nair: Yes. So first, let me explain to you what is the Hidden Gem Strategy. These are something what we are looking into our legacy and textbook brands of our business with high growth but low volumes. Now Norpace is one of them. In fact, we are the only one present in this particular space.

This drug is used for a condition known as ventricular hypertrophy, which today the challenge is detection and awareness. In fact, today, the detection is only 1 -- among 1 lakh. Now the understanding is among 1 among 500 patients, who can have this particular condition of ventricular hypertrophy. So the challenge which we are addressing now is how do we ensure, 1, there is an awareness about this particular condition.

Second, how do we leverage or help our doctors to detect it and thereby diagnosis and treatment. So today, currently, the country has got around 126 cardio electrophysiologists. They are the ones, who are prescribing them because they know about this condition. So we have actually used them to engage 3,000 cardiologist, which we are meeting and train and educate them to how to detect this.

The market of this particular thing only in this condition as of now, without because of I said the detection itself is so low is around INR42 crores. But once the whole awareness and detection starts, we see this product moving to a greater height. And if you look, there is a 32% CAGR growth for this anxiolytic market, which in spite of, as I said, the detection is low.

So we see a lot of potential with the increased coverage of cardiologists and with the increased engagement of this electrophysiologist, we believe Norpace is something which can become a big brand for us. And that is similar to Serenace. Serenace again, has been identified because on low doses, it is used for low anxiety by the GPs and physicians.

Now if you see most of the anxiolytic drugs available in this country, whether you can look at Haloperidol or Zolpidem, they are all under narcotics controlled substance, whereas this is the only one which is under schedule H. So this gives the GP and the physician to prescribe without any inhibition. So we're using neuropsychiatrists to train them and educate them.

Aditya Goyal: Okay. Just a follow-up on this. You mentioned the market size total is right now INR42 crores?

Ashok Nair: Only for the indication.

Aditya Goyal: Only for the indication...

Ashok Nair: So for us, the key role will be therapy shaping, for us the key role will be awareness, detection and treatment.

Aditya Goyal: Okay. Understood. The second question I have is related to one of the other comments in the initial. You mentioned we currently have no exposure to the U.S. markets. Apart from some dabbling in 2013, '14 with the company related to the U.S. FDA. What's the current status? Are we planning to do that, especially given how the environment is right now in terms of the uncertainty?

Ashok Nair: So see, while our plants are at a level that would be U.S. FDA approvable. But we would seek approval only when there is a significant basket of products with strong market share visibility in the U.S. The rationale is that the approval process is lengthy and the market dynamics often shift by the time the approval is secured.

So the company is also mindful of the cost benefit accretion and does not want to burden the profit and loss statement with high U.S. FDA-related costs. Until it is strategically justified. So if you ask me, do we want to? Of course, we want to go, but first we need to strengthen our own product portfolio and our capabilities to get into that place.

Moderator: The next question is from the line of Ahmed Madha from Unifi Capital.

- Ahmed Madha:** I have 2 follow-ups. One in -- for Naprosyn, can you give us some sense how are we thinking about moving the product from current to OTX and OTC, where we are in the regulatory phase for the product? If you can give some sense how you're trying to build the brand and stuff?
- Ashok Nair:** So Naprosyn, as for our country is concerned, currently, it is not under the OTC list. What we are doing is we just got an approval from Canada where 220 milligrams is a product for OTC. And by March, we should be entering Canada, which thereby will get serviced by Walmart.
- So once we have that data, once we see with that it is easier for us to submit that to the regulatory authorities here. And that's the time when we will actually look whether we should get into OTC and OTX. Currently, it's purely we would like to see that we drill by prescriptions. And once we make it big, then we can move to the OTX or OTC.
- Ahmed Madha:** But for India, is it fair that we can convert that in India as well?
- Ashok Nair:** Which one? Yes. So currently, no, once we have enough studies of our own Naprosyn 220 milligrams in Canada, we can put up a case here.
- Ahmed Madha:** Okay. Understood. And second, this is a very broad question. We have a very strong presence Nephrocare and immunosuppressants. Is there any thinking around medical devices related to the transplants and dialysis segment? Are we looking at that sort of a business as an opportunity? Any thoughts there?
- Ashok Nair:** So I think somebody earlier also asked me the question about MedTech. As you yourself mentioned, we are very strong in Nephro. So there is synergy for us to get devices which can detect chronic kidney diseases. We are in talks with some people. Nothing is finalized. But as time goes, yes, but we are open to it.
- Ahmed Madha:** Okay. Got it. And last question in terms of more regulatory filings for our immunosuppressants business in regulated markets and emerging markets, where are we in that journey? Last time in our analyst meet, we've spoken about building exports business and having more filings and expanding our footprint. So where are we in that journey?
- Ashok Nair:** So as far as the one of those, which is Azathioprine, we are there in most of the regulated markets. That's one product, which is an anchor product for us, the other one, which is in our pipeline is tacrolimus and that is the one which we are filing. So there are 2 strengths. 1 is an extended release, 1 is an immediate release. So we want both to be ready at the same time so that we can service that particular market accordingly. So the work is going on.
- Moderator:** Thank you. As there are no further questions from the participants. I now hand the conference over to the management of RPG Life Sciences for closing comments. Over to you, Sir.
- Ashok Nair:** So thank you very much, everybody, for being here. It's my pleasure interacting and speaking to you and taking the questions, quite insightful. So wishing you all a very happy Diwali from our team here at RPGLS. Take care, and have a great time. Thank you.

Moderator:

Thank you, Sir. On behalf of Dolat Capital, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.