November 15, 2024

National Stock Exchange of India Limited,
Exchange Plaza, Bandra Kurla Complex
Bandra (E), Mumbai-400051

Symbol: **ORCHPHARMA**

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai-400001

Scrip Code: **524372**

Ref: (i) Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(ii) SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023

Sub: Transcript of Analysts/ Investors Earning Call held with Public at large on November 11, 2024- Orchid Pharma Limited ("the Company")

Dear Sir/Madam,

This is in continuation to our earlier intimations dated November 06 & 11, 2024.

In reference to the captioned subject and pursuant to Regulation 30 and Sub- Para 15 of Para A Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, please find enclosed herewith transcript of Analysts/ Investors Earning Call held with Public at large on Monday, November 11, 2024 on the financial performance/ financial results of the Company for the Quarter-II and Half Year ended on September 30, 2024 of Financial Year 2024-25 and the same be read in conjunction with the Audio Recording link submitted via our letter dated November 11, 2024.

Further, pursuant to Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the aforesaid transcript is being made available on the Company's website i.e. https://www.orchidpharma.com/index.html

Furthermore, it is confirmed that no Unpublished Price Sensitive Information was shared/discussed during the aforesaid Analysts/ Investors Earning Call.

You are requested to take the above on your record.

Thanking You,
For **Orchid Pharma Limited**

KAPIL DAYYA

Digitally signed by KAPIL DAYYA
DN: c=IN, o=Person, ou=Others, postalCode=201102, l=Ghaziabad, st=Uttar Pradesh, street=238, NAIPURA LONI, GHAZIABAD LONI, title=2894, 2.5.4.20=ab829c22de1effbdfc0b22c1656149c2ef30e6aef4e71d29529c889286e22c52, serialNumber=e27acd3bad231a5f6fbc79a89feead642f7b38cfefea6c40cc3f8a9ba46b16ed, email=kapildayya@gmail.com, cn=KAPIL DAYYA
Date: 2024.11.15 13:00:51 +05'30'

Kapil Dayya
Company Secretary & Compliance Officer

Encl.: as above

"Orchid Pharma Limited

Q2 FY'25 Earnings Conference Call"

November 11, 2024

MANAGEMENT: **MR. MANISH DHANUKA – MANAGING DIRECTOR – ORCHID PHARMA LIMITED**
MR. MRIDUL DHANUKA – WHOLE TIME DIRECTOR – ORCHID PHARMA LIMITED
MR. SUNIL KUMAR GUPTA -- CHIEF FINANCIAL OFFICER – ORCHID PHARMA LIMITED

MODERATOR: **MR. VISHAL MANCHANDA -- SYSTEMATIX INSTITUTIONAL EQUITIES**

Moderator: Ladies and gentlemen, good day, and welcome to Orchid Pharma Limited Q2 FY '25 Earnings Conference Call, hosted by Systematix Institutional Equities. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vishal Manchanda from Systematix Institutional Equities. Thank you, and over to you, sir.

Vishal Manchanda: Thank you, Del, and good evening, everyone. On behalf of Systematix Institutional Equities, I welcome you to the Q2 FY '25 Earnings Call of Orchid Pharma. We thank the Orchid Pharma management for giving us an opportunity to host the call today. We have with us the senior management of the company represented by Mr. Manish Dhanuka, Managing Director; Mr. Mridul Dhanuka, Whole-Time Director; and Mr. Sunil Kumar Gupta, Chief Financial Officer.

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

Manish Dhanuka: Thank you. Thank you so much, Vishal. Good evening, ladies and gentlemen. I'm Manish Dhanuka, Managing Director of Orchid Pharma Limited and I'm delighted to welcome you to our discussion on the results for the second quarter of financial year '25.

First, let's review the financial performance for the Q2. Our sales for this quarter reached INR222.7 crores and our EBITDA for the quarter was INR37.5 crores. As we analyse cumulative performance, we believe it is more meaningful to compare results on a cumulative basis for the half year ended. For the first half of financial year '24, our sales totalled at INR467.1 crores, reflecting a 22% increase over the first half of financial year '24. This growth reflects the positive momentum towards our efforts for business development and regaining of our customer base.

Our overall EBITDA for the first half of '25 was INR78.6 crores, making a significant increase from INR54.7 crores in the first half of last year. This improvement is testament to our continued focus on cost control, productivity and efficiency. The operating EBITDA for the same period was INR66.8 crores, marking a 39% increase over the last year EBITDA for the first half. This quarter has been really eventful as many of our projects and initiatives have transitioned from planning to reality. Of course, it's early days, but we are pleased with these initial developments.

I'm pleased to report that ORBLICEF, our drug product for Enmetazobactam-Cefepime, was successfully launched in the Indian market during the last week of September. ORBLICEF holds a special place as the first drug discovered in India, now commercialized in the EU and approved in the U.S. market.

With our marketing partnership with Cipla, we expect good momentum to sales in the coming months. We are optimistic that ORBLICEF will make a significant impact on the health care landscape as the initial microbiological results on the Indian strains are very promising.

On the sales front, I'm pleased to report that our Enmetazobactam sales have officially begun in the EU market. While the initial numbers are insignificant as the sales started just recently, we

are encouraged by this initial progress. Much like in [inaudible 0:03:58], the account has been opened. In the U.S., however, we still await news of development. We remain optimistic and eager to see forward movement in this important revenue stream as we continue to monitor the landscape closely.

On another note, I would like to address an update regarding our core filing of Orchid filing of Ceftazidime/Avibactam.. This filing has received some observations from the U.S. FDA. As per our consultant, the cited deficiencies were not of the serious nature and we are now generating data to address these points promptly. We are currently working to remove the noted efficiencies and expect to be refile within this quarter.

Now for some updates on our key projects. I'm pleased to share that our small-capacity enhancement project has been commissioned ahead of schedule. We have already completed validation batches, and this additional capacity will start contributing to sales in the coming months. This project provides the added production capability required to support our growth and meet the increasing demand of our products.

Additionally, I am pleased to report that we have successfully broken ground on our 7ACA projects as scheduled on the auspicious day of Ganesh Chaturthi. While the initial progress was slow due to extended rains this year, we are now expecting work to move forward at a swift pace. We are excited to continue advancing this important project.

Looking ahead, I'm optimistic about the future. Our achievements in first half of '25, coupled with a steady progress on key projects and strategic initiatives, position Orchid Pharma well for ongoing projects, growth and value creation. We remain dedicated to operational excellence and disciplined execution, which will continue to guide us as we seize new opportunities and address the challenges that lie ahead.

In closing, I want to thank all our stakeholders, employees, investors and partners for your unwavering support and trust in Orchid Pharma. Together, we will continue to build on our successes and reach even greater heights in the years to come.

Thank you for your attention. I now welcome your questions and look forward to a productive discussion. Thank you.

Moderator: First question is from the line of Vivek Patel from Ficom Family Office.

Vivek Patel: I just had two quick questions on Cefiderocol. Firstly, what would be the potential size of this drug, given that Shionogi will be expanding this out of the U.S. and Europe, 135 low-income countries? Secondly, what could be the risk for this drug as another prominent company is also developing a competing drug, which they claim to be better than Cefiderocol?

Management: So thanks, Vivek your question. With respect to the potential, what we believe is 100 million doses potential is there for this particular product as about 1.6 million people out of the 5 million people who died due to AMR in 2019 can be cured by Cefiderocol. So that's a very, very large number.

What does it translate to value is questionable, as I stated before, because the cost of treatment is very high, currently standing at INR1 million per patient. So it's yet to be seen how much of that theoretical potential actually converts to a market number.

On your second question with respect to the competition developing another product, I'm not sure which particular company and product you are talking about. But this problem is so large, like I said, 5 million people died in 2019, and it's expected by 2030, this number is expected to rise to 10 million; we need more and more drugs to tackle this menace of antimicrobial resistance. So I welcome any development in that area. I don't think any such number is going to reduce the possible sales potential of this product.

Moderator: The next question is from the line of Ankur Chadha, who is an individual investor.

Ankur Chadha: So I have like a question on the future prospects of Orchid Pharma beyond what's like already in the public domain, like 4, 5 big projects in the next 3 to 4 years…

Moderator: Sorry to interrupt Mr. Ankur. Could you come a bit close to your handset?

Ankur Chadha: Yes. So see, we've got like the 3, 4 big projects in the next 3, 4 years, Exblifeb, which is the New Chemical Entity that -- the new drug, when we have the Cefiderocol. And then there is like the other and related developments in the Cephalosporin domain and there are 7ACA projects. So that takes care of our growth for the next 3 to 4 years.

I just wanted to understand from the management, what is the future beyond that? Like what sort of domains we would be working in? And you mentioned in one of your previous conference calls regarding Orchid to try to become an expert in fermentation-based R&D and drug development. Could you just like give an overview of what do you see happens after 3 or 4 years when all these projects have come onstream and we are looking for a future beyond that?

Manish Dhanuka: Yes. Thanks for your question. See, we are going ahead with further research, and there are very less companies involved in the space of Cephalosporins. And most of the newer molecules that are going off patent are in the injectable space, and Orchid is very well poised in this space to be one of the leaders.

So our R&D is that also -- i mean our focus on R&D in that space continues. And we have -- we will be going ahead with doing the process development for the newer molecules, which go off patent after these few projects that are going onstream at present.

At the same time, I feel that by setting up the 7ACA projects, we would have gained a significant insight into the fermentation technology. And that will probably create a launch platform for us to develop further molecules because not too many companies in India have the capabilities to develop products on fermentation.

So I think that will definitely pave way for further development. But as of now, we have still got our hands full, and we are focusing on executing the projects in hand while trying to identify the newer opportunities.

Moderator: The next question is from the line of Vidit Shah from Spark Private Wealth Management.

Vidit Shah: Just two questions for me. One was around our R&D efforts. So do we have any more products not in the near future, but at least with the 5-, 6-year horizon, such as Enmetazobactam, which we are looking to innovate completely out of India? And if so, what sort of fields or what sort of treatments are we looking to get in?

Manish Dhanuka: Yes. You see there are molecules that we have identified. There is a molecule which is going off patent just before and after this Cefiderocol in various markets, depending on which market you are looking at. Then there are various opportunities with respect to Ceftazidime, Avibactam, which we recently identified because we have developed a molecule, which is a non-infringing polymorph and non-infringing process.

So besides the U.S., there are opportunities that lie in other regulated markets like Europe, Brazil, etcetera, where the patent for the patented [mark 0:14:10] is still existent, until the early 2030s. So we are now looking at those opportunities and discussing with customers for launching this particular product with a non-infringing process in markets like Europe and Brazil.

So it's not just about the molecule, it's about different markets present opportunities at different times. And we are very hopeful that with our capabilities, we can demonstrate properly the Cefiderocol project. We will get opportunities to work with a lot of innovators as well to manufacture the products for them. And we are quite hopeful of these opportunities.

Vidit Shah: Okay. Understood. And could you just help us with an update on the Enmetazobactam royalties from Europe that we've started to get? What is the quantum of these royalties? And what is the overall market size in Europe per se for Enmetazobactam?

Manish Dhanuka: So the sales just started -- the royalty amount is very significant. We are happy that the sales have started. And with respect to the amount, I think we are bound by the confidentiality agreement with Allecra. So not been...

Vidit Shah: But how big is Europe as the market overall?

Management: So it's again difficult for and NCE because, as I've explained earlier, there is not much experience, India as a country has experts on NCE. Our long-term estimate both for the lifetime sales for this product is $2 billion to $3 billion, which has U.S. and Europe and China combined. This is the same estimate which I said 3 years ago. I don't think I have any better information to quantify the market.

It will depend on what price the product is launched at the price elasticity and the competing products present at that particular point of time. So it's difficult to say what could be the possible market and -- especially when Orchid is not responsible for selling the product.

Moderator: The next question is from the line of Nikhil Upadhyay from SIMPL.

Nikhil Upadhyay: Yes. And congratulations on a steady growth, which we've been delivering. So great job. Two, three questions. One is, can you share what would be the mix for first half between regulated and nonregulated markets in terms of revenue?

Management: Yes, sure. The split remains similar, 40-60, regulated 40% emerging ,60%.

Nikhil Upadhyay: Okay. And see, we've been consistently growing at 15%, 20%. And what I understand is our top 3 molecules had a larger concentration. So is this growth more coming from newer molecules? Or are we gaining share in our top 3 molecules? Some insights, if you can share, what is playing out for us?

Management: Yes. Actually, Nikhil, because our growth percentage at 20% is like a very large number now on large base for us, Cephalosporin products per se; so obviously, if we don't continue to grow over there, we would not be able to demonstrate these numbers.

Having said that, we are working on more niche opportunities to try and focus on them to get a higher growth there. So depending on product to product, there are some products which are showing more promise and their percentage growth is faster probably than the largest 3 molecules.

But at the same time, they have not that much an impact on overall -- if you look at 1 or 2 products out of those, to say, what is the reflection on the number. These 3 products are the largest. And in the near future, I don't think any other product is going to dethrone them of the top 3 positions. These 3 will continue to be the largest product for Orchid in the near foreseeable future as well.

Nikhil Upadhyay: Secondly, on this capacity addition, post this, how would our -- what would be your net capacity addition with this new capex which we have commissioned?

Management: Yes. In terms of kg, it is difficult to say the number because the product and the capacity is fungible. For example, if we talk about the sterile products I have explained, if we make in the same capacity, we can make a product which is $1,000 per kilogram that we can make maybe 1 ton. And if it is $100 a kilogram, it will make 5 tons.

But in terms of the growth, we have talked about that for the next year, couple of years, we don't need a capex to fund that. This capex should be sufficient to supply to that growth. But if you want in -- another term, if we talk about some base molecule, although will not give you much reflection, it could be a 15% to 20% kind of capacity addition on the overall side.

Nikhil Upadhyay: Okay. Now coming to ORBLICEF, two questions. Anything on China? Because we've been waiting for in terms of the trials, which had to happen in China and all, but there is no news, anything on like -- on the Internet of what's happening. So any idea what is -- where are we stuck? And how is Allecra thinking about it? Because it's also an opportunity loss for us if the product does not get launched.

Manish Dhanuka: I agree with you, we've had a couple of these discussions with Allecra. They are as confused as we are. Very difficult to get information from China, I agree, so we are discussing with the partners, but no development that we would like to disclose at this time.

Nikhil Upadhyay: Okay. And in U.S., any sense when the commercial launch can happen? Because approval is almost like 9 months, we have got the approval. Any like sense if you can share like what is happening there and what's taking so much time?

Manish Dhanuka: So all I can say is that they have shared some confidentiality agreement with the partners evaluating the project. And we are keeping our fingers crossed. I don't have any information beyond that.

Nikhil Upadhyay: Okay. And when we launched this product in India, base -- I know it's still initial days, but when our MRs are going and talking to the hospital, versus the competitive product, what's the sense we are getting? Like how are doctors responding to the product versus the existing product, which is there? Any feedback you can share or...

Manish Dhanuka: Yes. So there is a lot of encouraging response from the doctors when our people explain the product to them, they are willing to give audience to our sales team and our clinical team. And they have been doing trials on some of the strains that are resistant in India. And the feedback that we have got in is that the molecule works well against the existing empirical therapy space of antibiotics.

And the biggest advantage that we are trying to convince doctors is that it can spare Meropenem for the more resistant bacteria and for providing longevity to Meropenem against resistance. So these are the two major advantages. And we feel encouraged from just 1 month of sales. I think the molecule should do well.

Management: And there's obvious excitement in the market with respect to an Indian developed product, but how does that translate to actual on the ground, that will take a couple of quarters to actually see how many doctors adopt because it's a question of life and death, right? So doctors are really like want to do a dipstick.

It's not an anti-allergy medicine which you gave and say whether it works or not. So building confidence on their patients on a couple of cycles and then prescribing it would be their method of progress I would believe.

Nikhil Upadhyay: Okay. And lastly, how many specialty -- specialists or hospitals we would have covered till now? Like, if you can just share. And similarly, when we also have a tie-up with Cipla, too, how does the marketing region get split between 2 of us? Like are same MR can go -- like 2 MRs can go to the same doctor or hospital or -- some pointers if you can share, how are you going about on the marketing side here?

Management: On the reach numbers, I won't be able to share anything with you. But both Orchid and Cipla will be selling in the same market, there is no geographical division between the companies as to Orchid can sell to certain hospitals and they can sell to certain hospitals. Both companies can go and sell.

At the end, for Orchid as a company, it does not matter because products is only selling in the market. The idea is how do we make sure that this world-class new-generation product is available to maximum number of patients. And with that idea only, we have partnered with Cipla.

So it is in the interest of Orchid whoever sells in the end, it would be great. Although we would like to have a relevant share from the AMS team on this business. And we believe in Tier 1 cities, we should be able to make a good impact.

Nikhil Upadhyay: Okay. And is it that royalty charge with Cipla? Or is it a profit share with Cipla? Any idea you can give?

Management: Yes, it's a combination of both.

Moderator: The next question is from the line of Narendra from WhiteOak Capital.

Narendra: Sir, can you share any early data on the basis of Enmetazobactam use in India, wherever the limited number of patients they are youth in terms of clinical or microbiological cure which has been achieved?

Management: Yes. We've been asked by the SEC to do a Phase IV. I don't think we will be able to share data before those studies are complete as such. But I can share the clinical trial data, which is globally accepted, based on which we have received the Phase IV. The product was compared with Pip-Taz of over 1,000 patients and our product had efficacy of 79% compared to 59% of Pip-Taz. So this…

Narendra: Yes. I'm aware I thought post marketing means…

Management: Yes. So because it just started we have a -- we have received the approval from SEC to do the Phase IV on X number of patients. Once we have that data and that is in public domain, only then I will be able to share some number on.

Narendra: Sir, have we marketed in only limited hospitals or regions? Or it is PAN India?

Management: It has to be PAN India. Both Orchid and Cipla have partnered for this reason only to leverage Cipla's distribution network and also Orchid's new model of Orchid AMS, which is antimicrobial solution. Obviously, Cipla's reach is much larger than Orchid, and we expect the product to be available pan-India. We have already started distribution from Orchid and Cipla both across the country.

So -- but since it's early days, the sales has only just started in the last week of September. It will take some time. Like I said, doctors will do some trials. They will see the performance of their product on their patients. So it will take some time to find traction.

Narendra: Sir, what could be the overall treatment cost per patient in India with Enmetazobactam? Approximate number. Except for a 10-day course, what will be the approximate price per patient?

Manish Dhanuka: Similar to other molecules, we maybe 10%, 15% higher than other standard products that are used for similar kind of therapies.

Moderator: The next question is from the line of Ishita Jain from Ashika Group.

Ishita Jain: So my first question is the FDA inspection, can you remind us when was the last FDA inspection and when are we expecting the next one?

Management: So last FDA infection was in July 2019. We are expecting them anytime, and we are ready for them to come, although we don't have any information from them as yet when are they going to come.

Ishita Jain: Okay. My second question is on the 7ACA, timeline for the PLI. Could you throw some light on how does the payout schedule work for the PLI in case of -- I mean the fact that we have gotten a bit delayed? So just could get some color on that.

Management: Yes, sure. So on paper, nothing has changed, whatever was the original approval is phased like that. In face-to-face conversations with government officials, they have assured us that don't worry, that it is all there. They have given examples of Aurobindo, who has delayed it even beyond the timeline of the written policy.

And -- but what we have understood is nobody has received any formal letter from the government that this policy is extended, and this is the now new payout period. So there are only verbal assurances to everyone at this point of time.

Ishita Jain: Got it. I thought Aurobindo plant was fully operational?

Management: Yes, they have announced the operation, but it is after the timeline, as written the original policy. So I don't have a copy of their letter, it is only my estimate that the timeline would have expired from their original letter. But you would probably know better from their conference calls.

Ishita Jain: Got it. And just to know how much we have spent from our books on the ACA plant?

Management: Sorry?

Ishita Jain: What is our spend on the ACA plant?

Management: Till now, you mean?

Ishita Jain: Yes.

Management: Yes. Mr. Sunil Gupta, can you please answer this question? The exact spend till now in the OBPL subsidiary?

Sunil Gupta: It is around INR35 crores.

Ishita Jain: And how much are we planning on spending until fully operational?

Management: About INR700 crores.

Ishita Jain: Got it. And if you could just reiterate the timeline on this?

Management: Yes. So nothing has changed since last time. In August, we had talked about commissioning of April '26. So it's early to say, the construction is fully going to begin now. So right now, we don't see any major changes. We will only know after a couple of quarters how things are actually progressing and if we encounter some new hurdles.

Ishita Jain: Got it. And just last question. So for -- sorry to keep harping on Enmetazobactam. But in the US, Allecra has partnered already on the marketing?

Management: So I am as aware as probably you are. Whatever is in public domain, only that they share. I talked about in an earlier call that Allecra is a German company, right? They are very, you can say, straitjacketed about what is written in the agreement, only that information we get. So probably, if you are on the Internet, you may find out earlier than I do that they have done the deal.

Ishita Jain: Got it. Okay. And I just was trying to figure out since approval has come, there is -- no collaboration has been announced for the marketing partner in the US Okay.

Moderator: The next question is from the line of Sanjay Kumar from iThought Financial Consulting.

Sanjay Kumar: On Enmetazobactam, now that we've launched it, do we have a revised estimate of number of patients in India? Or the other way to look at it is you take hospitals with 500-plus beds and, let's say, 500 hospitals, so any revised estimate for the Enmetazobactam market size in India?

Management: So market size estimate, we have not given as per the product. And as a core company, we don't talk about product-wise market. So there is -- since we have not given anything earlier, revision would be difficult to give. So unfortunately, I can't say this. We have given a guidance of AMS sales, and this would be part of that only.

Manish Dhanuka: The only good thing is that we've got a wider coverage of indications like UTIs, pneumonia and bacteraemia. So that should definitely increase the horizon of the patient population. But maybe the medical team will be able to understand in the next few quarters.

Sanjay Kumar: Okay. And you mentioned that while we are talking to doctors, they're doing tests against Meropenem. But our clinical global clinical trials were done versus Pip-Taz, right? And we don't have data on how Enmetazobactam is performing in relation to Meropenem. So are doctors okay to -- willing to explore using Enmetazobactam as Meropenem-sparing drug?

Manish Dhanuka: No, you see, as per the policy of the ICMR, Meropenem is supposed to be a reserve drug. So when a patient enters a hospitals, the doctors are not supposed to inject Meropenem to the patients. They are supposed to reserve it because it is definitely supposed to be a superior drug and it is supposed to be reserved for a more aggressive form of infections.

So the purpose of launching this drug is that it has enhanced -- it has enhanced the capability of an existing circular Cephalosporin specified. So it does not actually provide any increase to the resistance pattern. And it should be used before Meropenem. So the idea is that it is Meropenem

sparing, so that Meropenem's life get increased and the resistance -- the development of resistance against Meropenem gets delayed.

So what the doctors are doing is they are testing the drug strain, which they find to be difficult to cure with the existing first generation of antibiotics. And that's where we have found from the clinicians that the results are encouraging.

Moderator: The next question is from the line of Gaurav Lakhotia from Nuvama.

Gaurav Lakhotia: So I wanted to know if there is an update on Ceftaroline and Cefovecin?

Manish Dhanuka: Yes. So we would be taking some engineering methods of our Cefovecin soon. Ceftaroline, we are still looking for a partner for the US market.

Gaurav Lakhotia: My second question is on bookkeeping. So I wanted to know the oral versus sterile split for Q2 and the domestic business revenues for Q2?

Management: Yes. So oral versus sterile split remains same as our long-term guidance. So 30% sterile, 70% oral. And domestic business also remains similar at 20%.

Moderator: The next question is from the line of Vamsi Krishna Hota from Systematix.

Vamsi Hota: Two questions. So firstly, when it comes to the revenues, there is a sequential down of about 8.9%. What would be the factors that are contributing to this? And secondly, I think Orchid is also foraying into branded formulation segment, especially in India, with about launch of 30-plus molecules. So any update on that also would be helpful.

Management: Yes. On your first question, we always maintained Orchid should not be looked at as a sequential Q-on-Q kind of a company, always compare Orchid as a cumulative -- last year versus cumulative this year. So in the last call, when on one question I'd answer, because we grew by more than 35% last quarter, that this kind of performance cannot be continued.

It is just that each of those shipments are maybe 5% of Orchid's revenue, could be 1 shipment in a quarter. So if that goes in 1 quarter last day, few days left, let's say, on 30th June and it is Q1, like 1st July Q2; so that kind of shifts can happen.

So Q-on-Q number is never relevant for Orchid because its seasonal, markets are different. So I will -- there is not going to be any pattern or I will not be able to share any data how it is worse or bad, not. I would encourage you to look at only cumulative numbers.

On the second question on AMS, so I'm happy to say that we have launched the AMS division again in the last week of September of this quarter. And the products are available in the market, and -- although it's too early to talk about any numbers.

So doctors are appreciating our concept, and we are getting time largely because we are the only company which has ever invented a product which is now approved worldwide. So with that, we are getting good at least admission or seat at the table for discussion with the doctors.

Moderator: The next question is from the line of Vishal Manchanda from Systematix Institutional Equities.

Vishal Manchanda: Sir, on the new oral block, could you guide how long can you take to ramp it up to full utilization?

Manish Dhanuka: So the block is fully up and ready for the production, but it will depend on how we are able to generate sales. So there's nothing to do with respect to the manufacturing part. We will keep on increasing production as we can generate sales.

Vishal Manchanda: So you won't have visibility in terms of kind of orders from clients? So it will develop over time and then you would ramp it up?

Manish Dhanuka: Yes, you'll see when you -- I mean, it takes some time to become an approved vendor in pharmaceutical industry when you go to meet the customer. And that process has been going on for some time, which has resulted in growth over the last 3, 4 years, but we have to continue with that initiative. And difficult to say customer to customer, how long it takes.

Management: And if you produce too much, there is selling pressure, which brings the pressure on the pricing and profitability. And we have always maintained, Orchid is never the company to do that first. So we would only like to sell in the market, what is the demand rather than flooding the market with material and resulting in a price drop.

Manish Dhanuka: As a B2B company, you can't generate demand, right? You just have to follow the demand.

Vishal Manchanda: Got it. The second one on Enmetazobactam. Would you know the price in Europe? What would the per patient price be there?

Manish Dhanuka: That's a good question. We would like to find out. I don't have that information yet, but we'd like to find out maybe next time.

Vishal Manchanda: Okay. All right. And just one more on -- would you have a number on how much is Dhanuka doing currently?

Manish Dhanuka: Yes, Dhanuka -- Mr. Gupta, can you give the sales number?

Sunil Gupta: Yes. In the first 6 months, our sale was INR275 crores.

Vishal Manchanda: Okay. And it's broadly flat on a Y-o-Y basis?

Manish Dhanuka: I think on a 6-monthly basis, there is a growth. But last year, I think we will did INR550 crores. So if you see on an annual basis, we are expecting maybe 5% growth, not significant.

Vishal Manchanda: And our margins should be -- EBITDA margin should be double digit here?

Manish Dhanuka: Single digits. Still single digits, yes.

Moderator: As there are no further questions from the participants, I now hand the conference over to the management for closing comments.

Manish Dhanuka: Thank you, Systematix. We would like to thank each and every one of you for your participation. Your questions always provide a different perspective to the management, and it's an opportunity for us to learn. We look forward to a continued engagement in the future as well. Thank you.

Moderator: Thank you. On behalf of Systematix Institutional Equities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.