

November 22, 2024

To
The Secretary, Listing Department
BSE Limited (SME),
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai-400 001

Scrip Code: 543363

Sub: Transcript of conference call with Investors & Analysts held on November 20, 2024

Dear Sir(s),

Pursuant to Regulation 30 and Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find attached the transcript of the aforesaid Conference Call held on November 20, 2024, at 4 PM.

Kindly take the above information on records.

Thanking You,

Yours faithfully,

For Prevest Denpro Limited

Aman Sadhotra

(Company Secretary and Compliance Officer)



“Prevest DenPro Limited
Q2 FY '25 Earnings Conference Call”
November 20, 2024



MANAGEMENT: **MR. ATUL MODI – CHAIRMAN AND MANAGING DIRECTOR – PREVEST DENPRO LIMITED**
MRS. NAMRATA MODI – WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER – PREVEST DENPRO LIMITED
MR. VAIBHAV MUNJAL – CHIEF MARKETING OFFICER – PREVEST DENPRO LIMITED
MR. VINAY JAMWAL – FINANCIAL ADVISOR – PREVEST DENPRO LIMITED
DR. SAI KALYAN – DIRECTOR OF RESEARCH AND ACADEMICS – PREVEST DENPRO LIMITED

MODERATOR: **MS. ASTHA JAIN – SENIOR RESEARCH ANALYST – HEM SECURITIES**

Moderator: Ladies and gentlemen, good day and welcome to the Prevest DenPro Limited Q2 and H1 FY25 Earnings Conference Call, hosted by Hem Securities. As a reminder, all participant lines will be in 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 Ms. Astha Jain, Senior Research Analyst from Hem Securities. Thank you and over to you, ma'am.

Astha Jain: Thank you, Sejal. A very good evening, ladies and gentlemen. Thank you for joining the Prevest DenPro Limited Q2 and H1 FY25 Earnings call. Joining us on the call today from the management team are Mr. Atul Modi, Chairman and Managing Director, Mrs. Namrata Modi, Whole-Time Director and Chief Financial Officer, Dr. Sai Kalyan, Director of Research and Academics, Mr. Vaibhav Munjal, Chief Marketing Officer, Mr. Vinay Jamwal, Financial Advisor, Prevest DenPro Limited.

We will commence the call with the opening thoughts from the management, post which we will open the forum for Q&A session, where the management will be glad to respond to any queries that you may have. Before we go on to the main call, I would like to read the standard disclaimer.

There may be forward-looking statements about the company which are based on the beliefs, opinions and expectations of the company's management, as on the date of this call. The company does not assume any obligation to update their forward-looking statement if those beliefs, opinions, expectations or other circumstances should change. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict.

Consequently, listeners should not place any undue reliance on such forward-looking statements. With this, I will hand over the call to Mr. Atul Modi, Chairman and Managing Director, to take it forward. Over to you, sir.

Atul Modi: Good afternoon, everyone. Thank you for joining us today through audio conferencing to discuss Prevest DenPro Limited's performance for the first half of Financial Year 2025. I am pleased to report that despite a challenging global environment, our company has achieved growth across the key areas.

First, let me share some key highlights on our financial performance. For the first half of FY25, our total revenue increased by 12.96% compared to the same period last year. Our export business has also seen robust progress, achieving a growth rate of 12.15% compared to last year's first half. Even in the face of foreign exchange crises and global conflicts that impacted several regions, we have successfully managed to offset these challenges by focussing on alternative markets.

And we are confident that our regions will continue to support our growth strategy in the coming period. On the domestic front, we are intensifying our efforts to capture greater market share. Our strategies are aligned with our ambitious goals and we are putting significant resources into expanding our reach across the Indian market.

We are optimistic that these efforts will yield substantial results as we continue to strengthen our foothold domestically. Moving on to our product line, we are particularly happy with the early success of our new brand Oradox. The market response has been highly encouraging, with commendable reviews from Indian industry experts and customers alike.

These positive responses enhances our confidence that the Oradox range will perform even better in the upcoming period, further enhancing our product portfolio and brand presence. In terms of innovation, our 4A x 3D resin technology has also shown great promise. The feedback from customers has been interesting and we are committed to refining and expanding our 3D resin offerings.

We are actively exploring additional strategies to strengthen our market share in this segment and we believe that this will be an important area of growth moving forward. Our commitment to innovation is also reflected in the progress of the previous research centre, which continues to operate with dedication, focussing on ground-breaking development and import substitution. Our in-house team is working diligently on building indigenous products to reduce dependence on imports and we have already made headway in several areas.

This aligns with our mission to develop high-quality, locally sourced products and enhance our self-reliance and self-sufficiency in the central product sector. To conclude, the overall performance in the first half of FY25 has been impressive and we are confident that our momentum will carry forward into an even stronger second half. With the foundations we have laid and the strategic initiatives in place, we look forward to driving even better results in the future. Thank you for your trust in Prevest DenPro Limited.

We remain committed to delivering growth, innovation and value for all of our stakeholders. Thank you once again and over to Mrs. Modi.

Namrata Modi:

Thank you Mr. Modi. Good afternoon everyone. I am pleased to welcome you to this Investor Meet, where I will present Prevest DenPro Limited's financial performance for the first half of the fiscal year 2025. Our total revenue for H1 FY25 reached INR31.53 crores, marking a 12.96% increase from INR27.91 crores in H1 FY24. Our EBITDA rose by 14.11% to INR12.23 crores from INR10.72 crores with an EBITDA margin of 38.79%. Underscoring the effectiveness of our cost management efforts, this growth is particularly noteworthy as we continue to optimise our operations and scale strategically. Our profit after tax for the period increased by 9.84% to INR8.49 crores from INR7.72 crores, resulting in a PAT margin of 26.92%.

Focussing on quarterly performance, quarter 2 financial year '25 revenue stood at INR17.31 crores compared to INR14.22 crores in quarter 1 financial year '25, marking a 21.72% rise. Our EBITDA in quarter 2 financial year '25 reached INR6.84 crores up from INR5.38 crores in quarter 1 financial year '25, showing a quarterly growth of 27.71%. Additionally, PAT in quarter 2 financial year '25 was INR4.82 crores compared to INR3.67 crores in quarter 1 financial year '25 reflecting a rise of 31.11%.

Margins also improved sequentially, with PAT margins increasing by approximately 2% from 25.83% in quarter 1 to 27.82% in quarter 2 financial year '25 and EBITDA margin rising from

37.83% in quarter 1 to 39.57% in quarter 2 financial year '25. However, I would like to share that our profit margin this year has slightly decreased in the first half of the fiscal year. This is primarily due to increased expenses associated with our market-based initiatives and exhibition activities.

Exhibition expenses saw a significant rise in H1 financial year '25, reflecting our proactive approach to building stronger brand visibility through participation in both domestic and international exhibitions.

Similarly, our market-based initiative expenses increased considerably as our teams are actively exploring new markets, meeting potential partners, and setting up distribution networks. These investments in enhancing production capacity and diversifying our product portfolio have also led to higher depreciation charges, which are expected to transmit into substantial long-term growth and operational efficiency.

We are now nearing the time where we anticipate the tangible benefits of these investments to materialise for substantial growth and operational efficiency. Additionally, I am pleased to announce that this year we have appointed a cost auditors of Prevest DenPro Limited. This applicability of cost audits arose this year, and with their expertise, we believe that cost analysis will become more efficient and insightful, ultimately benefiting our operations.

As we move forward, our focus remains on driving revenue growth and exploring new markets while maintaining strong margins for efficient operations. With a diversified product portfolio and a clear growth strategy, we are confident in our ability to achieve sustained progress. I want to thank our teams, stakeholders, investors for their unwavering support. We look forward to building on our achievements and delivering continued success in the months to come.

Thank you for joining us today and for your trust in Prevest DenPro. Over to Mr. Vaibhav Munjal.

Vaibhav Munjal:

Thank you, Mrs. Namrata. I am pleased to share some updates on the progress we have made in the first half of financial year '25. As Mrs. Modi mentioned, we have achieved a 12.96% increase in the total revenue compared to the same period last year. We are pleased to see that our efforts are translating into tangible positive outcomes. On the domestic front, we are seeing strong momentum.

Our work to solidify our presence within India has brought promising results, and we are confident this will continue to be a critical driver of growth in the coming months. Our focus has been on offering innovative products and strengthening customer relationships, and we expect those efforts to deepen our position in the domestic market. To support our broader objective, we have expanded into new international markets this year.

Entering several new geographies marks an exciting step forward for Prevest DenPro Limited. We have also welcomed new team members who bring fresh perspectives and specialised expertise, further strengthening our organisation. Additionally, expanding our distribution network has enabled us to better serve customers worldwide and enhance our global operations.

We have also made significant advancements in our online presence, recognising the importance of digital channels in today's market. Strengthening our digital footprint allows us to engage with a wider audience, communicate the value of our products more effectively, and build stronger relationships with clients and partners. This enhanced online presence not only drives direct sales but also fosters sustained customer engagement, which is essential for long-term growth.

I am particularly pleased to report that our new brand, Oradox, is performing exceptionally well. The positive feedbacks from customers and industry experts have been overwhelming, and the early results are highly encouraging. We are excited about its potential to become a big brand for us going forward.

Looking ahead, we are exploring opportunities in the 3D printing market. We see significant potential in this area as 3D printing technology aligns with our mission to lead in dental technology and provide advanced solutions. We are evaluating various strategies to enter this segment effectively, ensuring that our approach delivers real value and adheres to our high standards of quality and innovation.

In conclusion, our growth strategy remains firmly anchored in innovation, customer engagement, and operational excellence. The progress we have made in the first half of financial year '24 is promising, and we are encouraged by the opportunities that lie ahead. I want to thank each one of you for your continued trust and support in Prevest DenPro Limited. We are excited about the future and look forward to achieving even greater success together. Thank you and over to Dr. Sai Kalyan.

Sai Kalyan:

Good evening, everyone. I am happy to share that R&D division of Prevest DenPro has made significant steps in the last six months. We have successfully translated 3D resins to the market and have completed all the formalities necessary to register these 3D printing products in the USFDA and enter the US market. We have already finished the development of 10 new products in the endodontics, prosthodontics and wound healing arena. These products have been indigenously developed and the test licence is in process. These will surely be translated in 2025.

We have also joined hands with the Indian Dental Association and the Indian Endodontic Society to foster education, innovation, and research in the fields of dentistry. We have added bio gloss and tricalcium phosphate to our portfolio. These innovative bio actives have replaced the imported raw materials and helped in import substitution, which is a key role of the R&D division of Prevest DenPro Limited.

We are constantly innovating and making significant strides and we will keep you updated with more exciting news in the coming months. That's the report from the R&D. Hope to see you soon in the future. Thank you.

Moderator:

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Mandeep Choksi from Acme Capital. Please go ahead.

Mandeep Choksi:

Hello. Thank you for the opportunity and congratulations for the recent set of numbers. My first question is, given that the revenue growth for half year 25 was 11.53%, how does the company

plan to accelerate growth in the second half of the year to achieve its stated guidance of at least 30% for the full fiscal year, as was mentioned in the previous call?

Atul Modi:

I will reply to this question. 30% growth is the anticipated growth based on our previous year's performance. But as I said in my opening remarks that we know the world scenario is not very bright and there are conflicts and there are recessionary situations prevailing in many countries. We have not been able to reach to 30% level of growth in the export market. However, we are trying our best to grow as much as possible with no entry into new countries and exploring new areas of growth. So, we are expecting that the growth trajectory will continue and our aim is still to reach to 30% level.

But you know it all depends on the situation and the market trend. And you know I have noticed that in the last one year many countries are facing economic crisis, foreign exchange crisis. But in spite of that we have been able to reach to 12.5% growth in the export market and our domestic growth is also quite impressive. So, we are making all our efforts to reach to our previous level of 30% annual growth which is achievable depending that the situation improves.

And also, you know it depends on the further efforts which we make to expand our reach to the international market and also in the domestic market. But we will try our best to grow to this level. That is the minimum level which we have set for ourselves. And we are confident that in the second half our growth rate will be better than the first half. And we should be able to reach to a low significant level of growth in the second half also.

Mandeep Choksi:

Okay, that's good. And what steps is the company taking to address the decline in EBITDA and PAT margin, observed in the first half of 2025 compared to 2024?

Atul Modi:

PAT margin decrease, Mrs. Modi is the right person to answer this question.

Namrata Modi:

Yes, good evening. Our profit is slightly reduced due to increase in depreciation. And depreciation increased due to capitalisation of new building expansion and research centres in the current year which were under WIP last year. Further expenses related to research centres compared to last year. And 2-3 reasons are our marketing expenses. We are participating in more exhibitions, international as well as domestic marketing.

So, these are the reasons of the slightly decrease in PAT margin. But we have -- as I told you in my report also, that we have appointed a cost auditor also which is applicable to our company from this year. So, wherever there is any lack of things, we will try to improve that. We are responsible, we will try to improve that after appointing the cost auditor.

So that also improves our efficiency. Thank you.

Mandeep Choksi:

So, what do you think, when will this marketing expense translate into revenue? These expenses have been -- we have been enquiring the same expenses since last 2-3 years. So, when do you see this translating into revenue?

Namrata Modi:

I think revenue, as you are seeing, that growth is there. We are still growing. It is not decreasing. Our sale is increasing. That is only because -- in marketing. If we will reduce our marketing

expenses, we reduce our participation in exhibitions and tour and travelling. So definitely this target will be very difficult to achieve. So, these expenses will definitely slowly give us more good results in the coming months.

Mandeep Choksi: And what is the current capacity utilisation?

Namrata Modi: I couldn't understand. Can you repeat the question?

Mandeep Choksi: What is the current capacity utilisation? I mean we were operating at 45% utilisation?

Namrata Modi: Yes, yes. That is, we are just right now using 8-hour shifts only. So, we are using just 45%-50% utility. So still we have a lot of capacity to increase our production.

Mandeep Choksi: Okay, okay. And it was mentioned that Oradox brand has received good response in the market. But we don't see the same translating into sales and margins. Since it was mentioned that Oradox will be a margin accredited.

Namrata Modi: Mr. Modi will answer this.

Atul Modi: Oradox brand has been in the market just for the last 6 months. It's a new brand, new product line for us. And we have started the commercial production of this and marketing of this product. The response is very good. But being new product line for us, we have to develop a distribution channel for the marketing of these products.

So, we are expecting that in the coming time, Oradox will become a big brand, generate a good revenue in the coming time. But the results are very satisfactory. The performance and the feedback is very satisfactory. We are confident that it will become a good brand in the coming years.

Moderator: The next question is from the line of Devang from Eagle View Venture.

Devang: First of all, congratulations for a good set of numbers. My question is what percentage of our sales goes to R&D expenses?

Atul Modi: What percentage of sales goes to R&D expenses?

Devang: Yes, sir.

Atul Modi: We do not have this figure right now. We can provide you the details later on. At present, we do not have the exact numbers with us.

Moderator: Mr. Devang, does that answer your question?

Devang: Yes, yes.

Moderator: The next question is from the line of Pankaj Shah, who is an Individual Investor.

Pankaj Shah: Good afternoon, sir. Congratulations for a good set of numbers. I just want to know what is our current sales in the first half for Oradox brand and the newly launched product 3D resin? Can you just give me the numbers?

Atul Modi: See, for us Oradox brand, we have just sold goods worth INR20 lakhs in this half year because, you know, the product was launched recently. And we have done test marketing in the first three months just to see the feedback, customer feedback, response to the goods. So, we have so far reached to INR20 lakhs of revenue generation from Oradox. 3D has also contributed about INR10 lakhs of business in this half year.

These are also new products. A lot of validation is required because, in a 3D resins are used on different types of printers and all printers requires validation. So, that process is quite lengthy, but we are quite happy to share with you that our resins have been very well accepted in the market. We have also applied for the USFDA for the 3D resin.

And once we get the USFDA approval, we can explore the market outside India. So far, being a regulated product, we cannot sell the resins outside India. We do not have the USFDA certification so far. So, whatever we are selling that is only in the market. And that is also, we are going a bit slow just to check the market response, feedback. And once we are quite satisfied with the customer feedback, then we can go full hearted with full speed with the marketing.

And the marketing strategies are also being formalised and everything will take some time to settle down. And the only important thing is that the quality of our products is good. We have recently spent considerable capital expenditure on developing the new facility for 3D print resins manufacturing. So far, we do not have the manufacturing facility, so we are making these resins in a small setup in the R&D centre only, but as the demand is increasing, so we have created a new facility, a state-of-the-art facility for manufacturing 3D resins.

Once that facility is ready, we will be in a position to produce in large quantities and supply to all over India and also export.

Pankaj Shah: So, sir, I just want to know, I mean, what are our internal targets for both of these? I mean, for Oradox as well as 3D resins, maybe for the next 1 or 2 years? I mean, are we targeting some, I mean, what kind of revenues are we targeting?

Atul Modi: See, our projected revenue for Oradox brand is INR20 crores in the next 3 years and for the 3D resins, we are expecting sales of about INR5 crores in the next 3 years. 3D resins are not very popular in India, but the market will grow in the coming 2 years, 3 years because these resins are new for the Indian dental industry. So, it will take some time to develop the market in India, but we are getting ourselves ready for the future.

So, the facility is being created. Everything state-of-the-art facility has been developed for 3D manufacturing. Our Oradox plant is fully operational, but the production is slow only because we are going slow a bit just to develop the parking channel. And once everything is in place, we'll go with full speed. And in the next 3 years, we'll have a very good revenue generation from these two product lines.

Pankaj Shah: Great to know, sir. And, sir, I also wanted to know regarding our U.S. market. I mean, I remember from our past con calls that we had quite a few products approved there and we were targeting very big volume and revenue from the USA market. So, what is the current status? I mean, how have we performed for H1?

Atul Modi: Our exports to North America, US included is about 3% of our total revenue and it is growing. The products are very well accepted in the U.S. market. We are spending a lot of - doing a lot of expenditure on the promotional activities in the US. We have engaged marketing consultants in the US who help us to develop the contacts and business in the US. So, they are also doing their work and we got some very good clinical reviews from an independent organisation.

We have four products got highest ratings in the US for three products. So, that's - all these steps are becoming very favourable for us and we hope that we can increase our shares in the US market in the next 6 months. So, we are making all efforts to grow our business in the US market. That's our focused country for growth.

Pankaj Shah: Okay. So, sir, I mean, 3% of our current revenue. So, that means somewhere around INR50 lakh for H1?

Atul Modi: Yes, it's around INR60 lakh only maybe a little more. I don't know the exact number with me, but this is what I have right now in my mind.

Pankaj Shah: But, sir, if I remember correctly, I mean, we acquired one or maybe one or two customers. So, which were giving us maybe somewhere around USD1 million revenue for a year if I remember it correctly. So, I mean, have we started supplying to that customer in the USA? And the second part of the question is...

Atul Modi: You see, these customers in the US, they take a lot of time to evaluate the product because they send the product to the industry. And the industry takes a lot of time to evaluate the product, you know, based on their reports from the industry and various independent users. So, once they get the satisfactory report, then only they allow the new companies to sell their products. They will start buying from them. So, this process is going on. We are, you know, as I said earlier also, we are making all efforts to increase our business in the US market. That's the very potential market for our products.

We got about 40 products. Another, you know, Resins are also pending for clearance from USFDA. Resins are a huge market in the US because developed countries are already using 3D printing for dental applications. In India, it is a recent development, but in the US, the market is very big. So, we are expecting that once our 3D Resins are also approved by USFDA, we should get more business from the US market. So, with all these efforts, our business in the US will definitely grow in the coming time.

Pankaj Shah: Okay. So, I mean, the current -- the discussion is currently on with these customers, right? So, I mean, we are just in the process of working on it.

Atul Modi: Yes, discussions are going on with various customers. Various customers have taken their samples. We are in the process of evaluating the samples. We are visiting US again to attend

one of the US biggest dental shows in New York. So, we have lined up meetings with many clients in the US. So, after the meeting, we'll know more about the future of our products in the US. So, this year, we're going to take part in three US dental shows. So, this shows that we are very serious about our business growth in the US market. So, we see a lot of potential of business in the US. So, I'm very confident that we'll have very good revenue from US market in the coming time.

Pankaj Shah: So, I mean, sir, do we have any internal target maybe for the next one or two years for how much revenue we would like to generate from US market?

Atul Modi: We are targeting to generate at least INR2 crores from the US market in this financial year.

Pankaj Shah: INR2 crores in this financial year?

Atul Modi: In this financial year.

Pankaj Shah: Okay. And, sir, I think there was one or a couple of clients who wanted us to do contract manufacturing. So, I mean, have we started?

Atul Modi: We have started with them. We have started with them, but they have just taken small shipment, small supplies. Once their market feedback is satisfactory, because, you know, US are very, very highly quality conscious. So, they take a lot of time to, you know, approve a vendor. Once we have already started the contract manufacturing for a couple of companies, and that's why we are suggesting that, you know, if everything goes well with those companies, we should have a good business in this next six months.

Pankaj Shah: Okay. So, I mean, have we received any negative feedback from those companies?

Atul Modi: No negative feedback. Very good feedback. 100% satisfaction reports are there. They are 100% satisfied with quality and the pricing. But still, you know, the process is very long. They go slow. But now, it's almost six months. We are expecting the next six months we should have much bigger business from these companies.

Pankaj Shah: Great, sir. It is great to know that we have got a good feedback from our customers. And, sir, there were a couple of countries, I think, in Africa where we were getting, I mean, our revenue was reduced. Since the last couple of quarters, we were facing problems in those regions. So, how are things shaping up for those countries?

Atul Modi: Slightly better, but still, they have financial crisis, foreign exchange crisis. But we see slight change, slight improvement in the availability of foreign exchange. And we see that the situation will improve in the next half year. And we will continue with our growth in this region also. It is a potential market for us. But because of the foreign exchange crisis, we had a big setback. But we will overcome it in the coming half year.

Pankaj Shah: Okay. And, sir, I have one last question regarding these online platforms of ours, Prevest Direct. So, what is the sales for H1 for our online platform?

- Atul Modi:** Mr. Vaibhav Munjal is responsible for sales and marketing. So, I think he can tell you better about the digital marketing business. Mr. Vaibhav, please answer the question.
- Vaibhav Munjal:** Hi, good evening. So, we started this online portal in the last six months, in the last quarter of last financial year. And it has received, so we are growing tremendously month on month on that, on the online platform in terms of the online platform sales. Currently, the total sale that we would have generated from that online platform would be around, is around INR18 lakhs.
- Pankaj Shah:** Okay, INR18 lakhs for H1?
- Vaibhav Munjal:** Yes. And it is growing month on month, very substantially.
- Pankaj Shah:** Okay, so I mean, sir, will you be facing, I mean, I just want to understand because you have distributors all over India. And we are selling through this portal as well. So, will there be any conflict of interest between those 2 channels?
- Vaibhav Munjal:** No, not actually. See, there are two things when we have entered this online space, we were very clear one that we will not disturb our distribution channel which is there. So, the pricing which has been kept is in line with the end customer pricing that is there, point number one. Second, this foray into online was done to solve two problems of ours.
- One was to reach the areas where our normal distribution is currently not able to reach. So, the online and the e-commerce platform provides us a much faster access to those customers, especially in the rural areas in the country.
- Second, also to stabilise and to have an authorised platform from where our customers can purchase in case, they do not have an access to an offline distributor that is there. So, in the last 6 months, we have not even faced a single complaint from any of the distributions that is there to answer your question. So, it is serving us two main purposes, this online platform.
- Pankaj Shah:** Okay. Great, to know, sir. Thanks a lot. Thanks for answers. And wish you all the best to the whole...
- Vaibhav Munjal:** Thank you, sir.
- Moderator:** Thank you. The next question is from the line of Yash Poddar from Shivanssh Holdings LLP. Please go ahead.
- Yash Poddar:** Hi, everyone. Thanks for sharing the numbers and taking our questions. So, my question was revolving around the data points related to the new customer acquisition rate across our product segments. So, starting with Oradox, can you please shed some light on what would be the rate of new customer additions at the B2C level? And what would be the repeat customer percentages, starting with Oradox? And also, if you can shed the same data for the other segments where we are operating?
- Atul Modi:** Mr. Vaibhav, please take the floor.

Vaibhav Munjal: Yes. So, in the front of Oradox, we have done -- first, I would like to add a few things in terms of how we are marketing it. So, we have added -- we have done the marketing of Oradox on three fronts, actually. One is to be present online, to have an omnichannel presence for the consumers through the first channel of online.

So, we are present on Amazon, Flipkart, Tata IMG, and JioMart. As of now, on the online platform where we are driving most of our consumer sales. Second, we are also present on our own previous direct website from where we are getting the second channel of sales. Third, we are also marketing online these products because these are specialised oral care products and advanced oral care products.

We are also marketing this to the set of dentists across the country if they want to partner with us and promote these products to their customers because they provide an advanced oral care solution to their customers. This is as far as the online platform is concerned.

Fourth, as I mentioned very clearly in the last earning call, I mentioned it, that we have done a pilot of having -- because these are pharma products and our regular channel of distribution is into the dental space, which is directly distributing to the doctors. But Oradox is a consumer product and will be sold finally through the pharmacies, which is a new channel for us.

So, we have piloted the pharma distribution into one of the states. And that one state, we started this pilot in April or the end of April or the first week of May. And in the last 6 months, it has given us very good response. Now, we are looking in the next quarter, maybe we will expand it to a couple of more geographies and then take it forward from there.

And we are also adding newer products into the Oradox range. So, that is how we are ending up taking the Oradox range further.

Yash Poddar: Right. But sorry, I am just trying to dig into this and understand a little better. So, what you said was that in one of the states, you have done the distribution at a pharma level and not a D2C level, right? Is that what you are saying?

Vaibhav Munjal: Yes.

Yash Poddar: And can you share some results of what are the results that came out of the pilot in terms of the repeat customer rates or even in the duration of 6 months? What kind of traction you saw? I am sure there are some metrics around that. And maybe what you have in action plan also, if you can share both of this with some data would be very helpful.

Vaibhav Munjal: Yes. So, the thing is that when we have done the pilot of the pharma, this thing. So, for example, in that one state, we have already roped in around 200 pharmacies who are now stocking our product through our distribution channel. One, we have roped in around 250 doctors who are regularly prescribing and dispensing the products in that one state. And then these are the metrics that we are working on increasing the pharma and doctor prescribing our products there.

Yash Poddar: Okay. And this is just for the one state that you mentioned?

- Vaibhav Munjal:** Yes. This is only one state for which the pilot is going on.
- Yash Poddar:** Okay. And if I may ask, what would be the end result of the pilot? Is there a certain number we want to hit before we move on to the other states and geographies?
- Vaibhav Munjal:** No. We have already done the pilot. So, what we wanted to do was that since these were new products and new channels for us, we wanted to do one pilot and then add to another state. So, we are happy to report. That is why we kept on saying that the Oradox has given us overwhelming response because that one pilot state, when I say these numbers of having 250 doctors regularly prescribing and using our products.
- So, this is a very good result which we have achieved in the last 3, 4 months. So, now we will then take it up to one, two, three states in the next quarter depending on the final thing. And then we will keep on adding states and keep on adding manpower in those markets. Because pharma distribution, as you would definitely know, is a very manpower intensive distribution that is there.
- So, we will keep on adding. We will have to keep on adding manpower and that is the way forward for Oradox going forward as far as offline is concerned. And online, I already briefed you. We are working on that, right?
- Yash Poddar:** Okay. Just the last question from my end is assuming that these three states that you are targeting further after the pilot within a quarter or in the range of this financial year, what would be the incremental revenue that you are targeting at a company level to garner from these two or three extra states with these channels?
- Vaibhav Munjal:** So, we are adding a few more products into the portfolio by the end of this quarter. Post that, we will take up one or two states in the next quarter. And depending on this thing, so we are looking at whatever numbers we are doing, we are looking at if we add one more state, from our experience from the pilot, it takes at least 2, 3 months for the state to stabilise to start giving some revenue.
- Because first 2 months, you have to reach out to people, set up the distribution and all things. But by the end of next quarter, we are looking at doubling the numbers of Oradox like we have been doing.
- Yash Poddar:** Okay. Thank you so much for answering the questions.
- Moderator:** Thank you. As there are no further questions from the participants, I would now like to hand the conference over to Ms. Astha Jain from Hem Securities for closing comments.
- Astha Jain:** Thank you, Sejal. On behalf of Hem Securities [inaudible 46:50] I thank the DenPro team. For giving the time we spend on this call and responding all the queries in a detailed way. I would also like to thank all the participants for joining this call.
- Now I would like to hand the call to Sejal for closing remarks.

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