“Glenmark Pharmaceuticals Limited

Q1 FY '26 Earnings Conference Call”

August 18, 2025

MANAGEMENT: **MR. GLENN SALDANHA – CHAIRMAN AND MANAGING DIRECTOR – GLENMARK PHARMACEUTICALS LIMITED**
MR. ANURAG MANTRI – EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER – GLENMARK PHARMACEUTICALS LIMITED
MR. UTKARSH GANDHI – SENIOR GENERAL MANAGER, INVESTOR RELATIONS – GLENMARK PHARMACEUTICALS LIMITED

Moderator: Good morning, ladies and gentlemen, welcome to the Q1 FY '26 Earnings Conference Call of Glenmark Pharmaceuticals Limited. 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. Utkarsh Gandhi, Senior General Manager, Investor Relations for Glenmark Pharmaceuticals Limited. Thank you, and over to you, sir.

Utkarsh Gandhi: Thank you, Lizanne. Good morning, everyone, and welcome to the Q1 FY '26 Results Conference Call of Glenmark Pharmaceuticals Limited. Before we start the Q&A, we'll review the overall performance of the company for the first quarter of FY '26. In Q1 FY '26, Glenmark's consolidated revenue from operations was at INR32,644 million, recording a Y-o-Y growth of 0.6%. We'll take you through our regional performance, and then we'll talk about our IGI business as well before we introduce the management and open the floor for Q&A.

Starting with India sales for the formulation business in India were -- for Q1 FY '26 were at INR12,399 million, recording a growth of 3.7%. While Glenmark continued to deliver robust growth across the cardiac, respiratory and dermatology therapy areas, reported growth for the quarter was impacted on account of the discontinuation of some tail-end brands announced earlier and underperformance in the diabetes segment.

Glenmark India business continued to outperform the overall industry in terms of secondary sales growth. As per IQVIA June 2025 data, Glenmark India Formulation business recorded growth of 15.1% in the first quarter and 11.8% as of MAT June 2025 compared to 8.5% and 7.7%, respectively for the Indian pharma market.

As mentioned before, Glenmark continued its robust growth and outperformance in terms of key therapy areas like cardiac, dermatology and respiratory. Glenmark's India business continues to be ranked 13th with a market share of 2.3% as per IQVIA MAT June data. The company is ranked second in dermatology, third in respiratory and fifth in cardiac segment as per IQVIA MAT June 2025 data. And we continue to have 10 brands in the IPM top 300. Glenmark has improved its market share as well in -- especially in its core therapy areas.

In terms of key launches, Glenmark and BeOne Medicines have entered into an agreement for the marketing and distribution of Tislelizumab and Zanubrutinib in May 2024. Glenmark launched both these products towards the end of the first quarter under their respective brand names, TEVIMBRA and BRUKINSA. These launches mark an important milestone in expanding the innovative oncology portfolio in India and providing access to patients across multiple solid tumors as well as hematological malignancies. The company expects these 2 brands to gain momentum and meaningfully contribute to the India business over the next 2, 3 years.

Glenmark also had launched Empagliflozin towards the end of Q4. This is a widely recognized SGLT2 inhibitor in India. The drug was launched under the brand name GLEMPA, GLEMPA L and GLEMPA-M. And of course, LIRAFIT has been an important product launch for us in

the diabetes segment. Glenmark was the first to launch the biosimilar of Liraglutide under the brand name LIRAFIT. It has seen a strong traction with more than 50% market share in the molecule, and the company plans to launch other GLP-1 agonists as well.

Moving on to India's Consumer Care business. The Consumer Care business of the company operates in the Indian consumer health care market with a primary focus in dermatology and over-the-counter products and leading brands such as Candid, La Shield, Scalpe, Episoft and Elovera.

The business is well positioned for sustained growth, supported by rising consumer awareness and increasing adoption of self-care solutions. Primary sales for GCC in the quarter recorded a Y-o-Y growth of 20%. Candid Powder continued to lead its category with 60-plus percent market share and the other 2 key brands, La Shield and Scalpe also delivered a high growth in Q1.

Moving on to North America. The North America business registered revenues of INR7,780 million, which is about USD91 million for the first quarter of FY '26. This is a Y-o-Y -- sorry, a Q-o-Q growth of about 8.9%. Despite a relatively challenging environment, the company recorded Q-on-Q growth on the back of gaining share in its injectable product launches and other partnered products.

In the first quarter of fiscal year '26, Glenmark also launched 3 products, Mixed Amphetamines IR Tablets, which are generic to Adderall, Epinephrine Injection and Olopatadine Hydrochloride Ophthalmic Solution, OTC. While the company did not file any new NDAs in the Q1, Glenmark does plan to file 1 application in the forthcoming quarter and about 5 to 6 applications for the full year.

Glenmark is building out a large commercial portfolio in injectable products. We've mentioned this before. We already have 9 or 10 injectable products in the market today. The company expects approval of its generic respiratory NDAs as well starting H2 FY '26. And we are also working on filing the NDA for the other 2 strengths as well.

And the company continues to augment its commercial portfolio through partner product launches. Glenmark's marketing portfolio through June 30 consists of 208 generic products authorized for distribution. The company has 52 applications pending in various stages of the approval process, of which 24 are Para IV applications.

The company's subsidiary, Glenmark Pharmaceuticals Inc. USA was named in the multi-district -- multiple antitrust and consumer protection lawsuits, including class actions consolidated in the Eastern District of Pennsylvania. These relate to the industry-wide allegations concerning price-fixing, market allocation and related anticompetitive conduct. Plaintiffs include reputative classes of direct purchases, and payers and indirect purchases of generic drugs as well as numerous private direct-action plaintiffs.

Glenmark USA continues to deny all allegations and has been defending these matters vigorously. With a view to resolve this dispute and avoid uncertainties, Glenmark USA has agreed into -- enter into a settlement with the putative direct purchaser class for a total of USD

37.75 million. The settlement is subject to approval by the court overseeing the litigation. The settlement makes it clear that Glenmark USA denies each and every of its allegations against it, and the settlement is not the basis of Glenmark USA having conceded or admitted any liability or illegality.

Moving on to Europe. Glenmark's Europe business has recorded more than 25% CAGR over the last 3 years and has gained significant scale across its branded products, particularly in the respiratory segment. Glenmark Europe operations revenue for the first quarter was INR6,678 million, recording a decline of Y-o-Y decline of 4%. The company anticipates the Europe region returning to double-digit growth from the second quarter onwards and expects to record double-digit growth in FY '26.

During the quarter, branded business growth, particularly in the respiratory segment remains strong. Branded respiratory products, including RYALTRIS, continued to grow on a month-on-month basis across owned and partner markets. The company continues to focus on sustaining the increasing contribution of branded products and portfolio from -- in the European markets, particularly from the pending respiratory product launches.

We've recently gotten approval for 2 additional respiratory products. And we have also launched WINLEVI in the U.K., and we are planning to launch it in other European markets as well by the end of this year, FY '26. Moving on to emerging markets. Glenmark's emerging market business has recorded 10% CAGR over the last 3 years and has recorded strong performance across all EM regions, particularly in the dermatology and the respiratory segment.

For the first quarter of FY '26, revenue from the emerging markets region was INR5,721 million, recording a Y-o-Y growth of 0.2%. While the first quarter was affected by lower seasonal demand in some Latin American markets, the rest of the EM regions grew 9% in the first quarter. The company anticipates double-digit growth in FY '26 for the emerging markets on a constant currency basis.

Talking about the individual regions in EM, as per IQVIA, Glenmark Russia secondary sales recorded growth of 21% in Q1. In terms of key therapeutic areas, Glenmark recorded 17.4% growth in value terms in dermatology versus overall market growth of 15%. Glenmark continues to be ranked ninth amongst dermatology companies and second in the Respiratory expectorants market in Russia. Key brands such as RYALTRIS, ASCORIL and CANDIBIOTIC have continued to gain and sustain high market share in their respective categories.

Glenmark's LatAm region, as mentioned, witnessed some challenges in Q1, mainly due to lower seasonal demand in key markets. Glenmark does maintain its top 10 rank amongst the companies in the covered market of chronic respiratory segment in Brazil. RYALTRIS has launched multiple differentiated products in the respiratory segment in the region, which will help business growth in future quarters. And RYALTRIS has been launched in Mexico and is awaiting approval in Brazil.

In Middle East, Africa regions, the company witnessed double-digit growth in secondary sales across major markets. RYALTRIS continues to be the leading nasal spray for allergic rhinitis in

South Africa and has seen successful launch in other key markets of the region. And Glenmark continues to be ranked third in the overall market in Kenya. Asia Pacific region recorded subdued performance in first quarter. Key markets such as Philippines, Malaysia recorded high single-digit secondary sales growth in the first quarter. RYALTRIS continues to do well in the Asia region. We recently received approval for Thailand as well. And Glenmark remains one of the leading players in the dermatology segment in the APAC region.

In terms of our key global brands, RYALTRIS, as of June, marketing applications for RYALTRIS have been submitted to more than 90 countries and product has been commercialized in more than 45 markets. It is expected to be launched in 10 to 12 additional markets over the next few quarters. As per IQVIA data, RYALTRIS continues to see robust performance in terms of both value and unit market shares across the key markets where the product has been launched, either by us or by our partners.

As mentioned before, Menarini has witnessed -- Menarini is our partner in the EU, has witnessed a steady increase in market share across all its licensed markets. Yuhan Corporation, Glenmark's partners in South Korean market also continues to perform well. And Glenmark's partner in Mainland China, Grand Pharma, expects to receive approval for RYALTRIS in China in FY '26.

QiNHAYO, which is Envafolimab. Glenmark has filed QiNHAYO in 15 markets in FY '25. First market launch is expected in FY '26. The company has received authorization from regulatory authority in Kenya for supply of QiNHAYO in -- via some early access programs.

And we have also initiated a global multicenter Phase III study in neo-adjuvant as well as adjuvant NSCLC. WINLEVI, which is partnered with Cosmo, Glenmark announced its approval for WINLEVI in the -- from the MHRA to market it in the U.K. Glenmark has launched WINLEVI in the U.K. and is expecting approval in other European markets by the end of FY '26.

Talking about IGI, IGI features a robust pipeline of innovative oncology molecules targeting multiple myeloma and solid tumors, of which ISB 2001 is in clinical development. Additionally, IGI has 2 autoimmune assets, which have been out licensed to leading companies and are also in clinical development currently. During the quarter, IGI presented promising full dose escalation results from its Phase 1 TRIgnite-1 study of ISB 2001 in relapsed/refractory multiple myeloma.

This data was presented as a rapid oral presentation at the ASCO 2025 Annual Meeting, demonstrating a sustained overall response rate of 79% and a high complete/stringent complete response rate of 30% across the 7 active doses in heavily pretreated patient population with a very favorable safety profile.

Recently, IGI also announced its global commercialization strategy for ISB 2001 following its landmark partnership with AbbVie under the terms of the agreement, IGI partnered with AbbVie and granted exclusive rights to globally develop and manufacture and commercialize ISB 2001 across North America, Europe, Japan and Greater China, while Glenmark will develop, manufacture and lead commercialization activities of ISB 2001 across emerging markets. This

partnership validates IGI's multispecific platform technology and positions us as a leading biotech company in the forefront of innovation in oncology, while also helping Glenmark to further expand its oncology franchise, particularly through innovation in emerging markets.

We have the management of Glenmark Pharmaceuticals on the call, Mr. Glenn Saldanha, Chairman and Managing Director; and Mr. Anurag Mantri, Executive Director and CFO. With that, we can open the floor up for Q&A. Over to you, Lizanne.

Moderator: Thank you. The first question is from the line of Damayanti Kerai from HSBC. Please go ahead.

Damayanti Kerai: My first question is on India business. So this antidiabetic portfolio, which is undergoing some pressure, I think we discussed earlier. But it seems despite launch of Liraglutide, we are yet to see any meaningful release there. So can you talk about it, like how long do you think it will take to really get over this antidiabetic portfolio drag?

And then this difference between your secondary data, which is 15% against 8% IPM, there is huge difference between the 15% and around 4% reported growth. Like how we can assume this will converge and when that will likely happen? That's my first question.

Glenn Saldanha: So Damayanti, Glenmark now with the ISB 2001 deal and our move towards becoming more of a branded company. I think going forward, our vision is to focus more on high-margin products, right? So a lot of the tail-end brands we are moving out of, right? Like a typical branded company, the idea is to keep moving up the value chain and focus more on the margin profile of the high-value products and the branded products. So I think going forward, this quarter and maybe Q2, right, from Q3 onwards we expect the secondary sales growth of India, and the reported growth will be very close, right, from then onwards.

The other thing about India is you talked about diabetes. So now we have full supply for the first time of LIRAFIT. So from Q2 onwards, you should see diabetes sales improving significantly. In addition, the launch of both TEVIMBRA and BRUKINSA, right, the 2 big products happened in July, right? So this quarter, you should see good uptake of these 2 products since both of them are commercially launched now.

So I think these -- so overall, look, our India business, as you can see in IQVIA as well as AWACS, right, the data is very strong. So our growth is very strong in the market. And if you take a slightly longer-term view, CAGR, India will grow between 10% to 15% CAGR, right, over the next 3 to 5 years. So we are very confident that the India business growth will be strong.

The other segment is our OTC business, right, the Glenmark Consumer Care, which we spun out, right? The growth there also is upwards of 20%, right, on a CAGR basis. So I think overall, India will continue to be a very strong market for us, right? I think post Q3, you should see the numbers play out quite significantly.

Damayanti Kerai: Sure. If I can ask a related question, see, you are moving towards more profitable branded products, et cetera, which is in line with your long-term goals. But will that lead to a situation, again, you have a high dependency on a few products, a few big brands and again, that concentration risk will play out later as well?

Glenn Saldanha: No, that's not the case. I mean, see, if you see the GCs have already started improving, right, with the knocking off of some of the tail-end brands. And I think going forward, you should see continued improvement in the margin profile. With regards to your question on specific brands, right, look, we have -- Glenmark, we have very strong brand spread across different segments, right?

And even as we mentioned, our OTC, DTC brands, which are coming up now, EVIMBRA, BRUKINSA will be 2 big brands, which will help. LIRAFIT, right, which is Liraglutide, right, will become a strong brand. So it's much more broad-based than concentrated, right, given the branded nature of our business.

Damayanti Kerai: I have 2 questions on the U.S. business. So you mentioned around 9 to 10 injectables out there in the market, some of which came through partners as well. So first, any update on Monroe? And if Monroe gets clear, how many injectable products we can expect for, say, next 12 to 15 months in the U.S.? And then second question on the U.S. sales, how much of these litigation antitrust issues are still remaining for you? If you can have -- provide some color, there.

Glenn Saldanha: Sure. So on the U.S. business, right? I mean, so as you've seen, we grew Q-on-Q, right, in the first quarter. In the second quarter, we are launching 3 more injectable products through partnerships. That will drive the second quarter growth, and we expect a good second quarter also in -- form H2, right, we are hoping to launch some of the respiratory products, right, mainly generic Flovent, right, 44, right, which we think will be a big launch for us. And then in addition, some of the partnership products, we continue to commercialize even in Q3 and Q4.

So I think all in all, U.S., there is a clear trajectory to see higher growth going forward, right, compared to what we've had historically. With regards to Monroe, as you know, we had 5 observations from our last inspection. We've responded to that, and we are waiting -- we are working with the FDA to resolve that, right? We are hoping that this year we will restart commercial manufacturing. That's our view on Monroe.

Damayanti Kerai: And the antitrust litigations, which are still like out there.

Glenn Saldanha: Yes. So on litigations, I mean, our view is we have just one major litigation, which is the multi-district litigation, which is ongoing. We settled with the DPPs as you've seen in the first quarter. We've done a settlement with the DPPs. There are a couple of more classes, which we are continuing to litigate on. I can't give you any visibility on any time line.

Moderator: The next question is from the line of Saion Mukherjee from Nomura.

Saion Mukherjee: Can you provide the net debt number at the end of the quarter?

Anurag Mantri: So net debt, Saion, in the quarter was around INR1,500 crores at the end of the quarter.

Moderator: The next question is from the line of Tushar Manudhane from Motilal Oswal Financial Services.

Tushar Manudhane: Sir, just with respect to Monroe, have we started like in terms of the exhibit validation package for other facility -- I mean for the other products? Or do we need to wait till the observations gets resolved?

Glenn Saldanha: No, the facility is continuing to take batches. So we continue to take exhibit batches of products like iron sucrose and several others that we are working on. So that as and when we have resolution, not only could we start commercial manufacturing, but we will also accelerate some filings out of the facility.

Tushar Manudhane: And so as far as observations addressing observations is concerned, that is largely done from our side, right? It's now the feedback or the response from U.S. FDA, which is awaited?

Glenn Saldanha: That's correct.

Tushar Manudhane: Okay. And sir, so this partnered product strategy, if you could sort of elaborate while we do have our own facility, but -- so is it because we are diversifying in anticipation of these regulatory issues? Or is there something else to this?

Glenn Saldanha: I think strategically, we are primarily focused in 2 areas in the U.S., right? One is the respiratory products going forward, right? And the second is injectables. And on the injectable side, we are -- we have a two-pronged strategy of in-licensing products, right, which are -- which we think have approval or are significantly differentiated as well as filings out of Monroe.

So I think longer term, we will have a -- if you look at us in the next 3 to 5 years, we should have a strong injectable portfolio, right, which is evolving in the U.S. along with a number of respiratory products, right, which is filed and getting approved in the next 3 to 5 years. So I think these are the 2 segments which we are primarily focused on, right, in addition to a few OSDs and derm products.

Tushar Manudhane: But, sir, the pace of filing seems to be low as far as FY '26 is concerned, there's 5 to 6 filings expected in FY '26.

Glenn Saldanha: But that's in-house, okay? In addition, we do all these partnerships, right? So typically, we will launch about 10-odd products a year. That's the minimum run rate you should expect.

Tushar Manudhane: Got it. And sir, just secondly, on the gross margin front, like it's been decent for the first quarter, maybe year-over-year as well as quarter-over-quarter. Like is it more to do with the segmental mix, geography mix, if you could elaborate? And so the outlook for full year '26 as far as gross margin is concerned.

Anurag Mantri: So gross margin side, as we've mentioned is that the focus is on the branded markets and which will help us continue to strengthen the gross margin and also the well-diversified geographical portfolio, especially Europe and emerging markets in addition to India, will continue to drive the gross margin northwards. So that's how our focus on the business is.

Tushar Manudhane: So this number seems sustainable, 68%, 69% or…

Anurag Mantri: Yes -- yes. I think we believe at this moment, because of our strategic thing and the launches which we have in pipeline, we believe that this number is sustainable and achievable.

Tushar Manudhane: And sir, subsequently, anything further to do with the increase in MRs or field force across these branded markets per se in FY '26?

Glenn Saldanha: I think we keep adding sales force, right, at every stage wherever required, right? A lot of it is basis the products and the product mix, right? For example, we recently got approval for RYALTRIS in Colombia and Thailand, 2 markets. We are expecting RYALTRIS approval in Brazil and China yet this year, right? All this should help drive our emerging market business, right?

In addition, we have QiNHAYO launches, which will come up, right, which may need some additional field force. India, we keep augmenting some field force every year, right, nominal amounts depending on the product mix and the product portfolio. So I think we don't have any specific number that we can guide to in terms of field force additions, but it is something we keep doing depending on our products and product mix.

Tushar Manudhane: So any broad guidelines on the EBITDA margin front for full year?

Anurag Mantri: So as we earlier guided that Q3 onwards the EBITDA margin trajectory should stabilize close to a 23% plus range. So 23% is what we are guiding. Q2, I would say that it will be because of the IGI deal flow. It will not be really a presentable or the comparable number. But Q3 onwards as a business, we believe that 23% margin trajectory will stabilize for EBITDA.

Tushar Manudhane: This is including generic volumes, right?

Anurag Mantri: Including?

Tushar Manudhane: Generic volume?

Anurag Mantri: Yes, its overall business margin, right? It's at full business level.

Moderator: The next question is from the line of Nitin Agarwal from DAM Capital.

Nitin Agarwal: Anurag, on the question on net debt, what has been the sequential increase in net debt and what is it driven by?

Anurag Mantri: See, in the first quarter, if you see on the business, there were -- obviously, there was an increase in some of the sales realization and all the things. Therefore, there was an increase in the gross debt. And the gross debt in the quarter was close to INR3,200 crores.

Glenn Saldanha: I think the buildup -- go ahead, Nitin.

Nitin Agarwal: No, sorry. Go ahead, go ahead, go ahead.

Glenn Saldanha: The buildup is basically things like inventory debtors.

Anurag Mantri: Yes, because…

Glenn Saldanha: Payment due to LCDF one-off severance payments, right, that we had, right, and plant closures.

Utkarsh Gandhi: I think we had -- also had a couple of launches in Europe, Nitin, particularly, which actually got pushed to Q2. So inventory buildup was in preparation of some of these launches. So I think over the course of the next couple of quarters, the numbers will stabilize.

Nitin Agarwal: And sir, just to conclude the point, where do we -- what we see a stabilized, normalized levels of working capital for us now going forward?

Anurag Mantri: So net working capital days, what we continue to monitor closely is that and then 110, 115 net working capital days, that's what we believe in a sustainable and long-term basis. We should continue to maintain to have -- to achieve the margin and the trajectory which we are targeting.

Nitin Agarwal: And secondly, on the -- in the quarterly numbers this quarter, there's a pretty large component of other operating income. A, can you state what is it about? And how is it booked across various segments?

Anurag Mantri: So other operating income consists of ongoing royalty income, some of the incentive income as well as some of the price -- debit note price adjustments. And this is across the various markets. So accordingly, then it gets -- it's a very common in the normal course of the business.

Nitin Agarwal: The bump up in the gross margin, there's no one-off bump up in gross margin because of this other operating income as you said gross margin around these levels?

Anurag Mantri: No, it's not a one-off sort of. It's very ongoing and very pertaining to the core business.

Nitin Agarwal: And again, on the IFC deal, when do you see a closure and the proceeds coming through?

Glenn Saldanha: September, we are hoping to close, Nitin.

Nitin Agarwal: Okay. And last one, you've transferred the consumer business in India to a subsidiary. Any thoughts on what is the game plan here? How does it help beyond a point?

Glenn Saldanha: So this is purely done to increase the focus, right, because we think that's a good segment to continue to focus on, right? So there's no plan to do any capital raise or anything in that subsidiary. It's just a matter of heightened focus in that business.

Moderator: The next question is from the line of Amlan Das from Nomura.

Amlan Das: My question is, sir, what was the gross addition for the quarter?

Anurag Mantri: Sorry, can you just repeat, please?

Amlan Das: Sir, what was your gross capex addition for the quarter, both tangible and intangible that you report every quarter?

Utkarsh Gandhi: Gross capex, capex addition.

Anurag Mantri: So capex addition for the quarter was around INR180 crores. And as we guided that the full year capex guidance, we continue to remain on track.

Amlan Das: And could you just give the split between tangible and intangible, sir?

Anurag Mantri: It is typically 65-35. That's what the broad split of tangible and intangible in terms of overall percentage in the quarter.

Amlan Das: Okay, sir. And what was your R&D expenditure for the quarter? And how much of it was innovation R&D, sir?

Anurag Mantri: Around 7%. And so it's the same range what we've guided for the full year. R&D expenditure is to be around 7.5%. So in this quarter, it was around 7% and around half of it was in -- related to IGI.

Moderator: The next question is from the line of Bino Pathiparampil from Elara Capital.

Bino Pathiparampil: Can we get a little more clarity on the accounting of the upfront payment we get from AbbVie. From what you said, I understand we will start amortizing it in Q3. So what would be the exact amount that would come on P&L?

Anurag Mantri: So out of the overall upfront payment, basically, that upfront payment also it's onetime and non-refundable, but also it will cover the IGI expenditure for the next 3 years in terms of their own spend. So accordingly, as per the prudent accounting guidelines, we will split the accounting basically that leaving that IGI next 3 years to be accounted as per their own expenditure guidelines so that overall P&L doesn't get a fluctuation and onetime abnormalities. And the balance, we will actually book it in the quarter 2 itself.

Bino Pathiparampil: So how much would that be that amount which will come to the P&L?

Anurag Mantri: So broadly, last time we guided that our IGI expenditure for next 3 years are close to be around $210 million, $210 million to $225 million. And balance, so you can expect to be then accordingly. Obviously, there would be a tax would be onetime, which will be upfront in the quarter 2. So accordingly, let the money come, I think then we will be able to give you the more specific one. But we are also in discussions with the auditors at both the levels, how we should be doing it so that investors get a fair view of the P&L.

Bino Pathiparampil: Understood. And once that money comes in, at a consolidated level, where will our net debt go to?

Glenn Saldanha: It will be cash positive basis.

Anurag Mantri: Yes. So we are -- we will be surely cash positive post money, on the consolidated level.

Moderator: The next question is from the line of Damayanti Kerai from HSBC.

Damayanti Kerai: I have a question on ISB 2001 study, dose expansion study where you had started patient recruitment. So you mentioned the deal with AbbVie will get closed in -- will be closed in September. So are you continuing the study? Or how things will move there?

Glenn Saldanha: So currently, we are continuing to run the dose expansion. And obviously, once the deal consummates, we will sit down with AbbVie and decide the next steps. I can't give you more visibility, but the dose expansion continues as we speak.

Damayanti Kerai: So you're running the clinical trials as of now and the related costs, et cetera, is part of your expenses, right? And only when the deal gets closed with AbbVie, things will move, isn't it?

Glenn Saldanha: Correct.

Moderator: The next question is from the line of Anubhav Goel from Cosma Ventures.

Anubhav Goel: Just wanted a question on Monroe, these 5 observations we have got. Any particular observation which can set us back tougher to resolve? Or are we broadly confident we should get through?

Glenn Saldanha: It's always hard to predict, but we think we are pretty confident that we should be able to restart commercial manufacturing soon.

Anubhav Goel: Okay, sir. Okay, sir. And sir, just one more question on the Indian business. Our secondary sales is doing very well. So I think you mentioned from Q2 -- from Q3, we expect our India numbers to be strong. So 2Q should be soft for the India unit?

Glenn Saldanha: No, no. All we are saying is that the secondary sales will catch up with IMS, IQVIA and AWACS, right, starting from Q3 onwards.

Anubhav Goel: And sir, this divergence is largely because of the discontinuation of the tail-end brand?

Glenn Saldanha: That's correct. It's basically moving up to higher-margin products, right, and focusing on that and discontinuing some of the low-margin tail-end brands.

Moderator: Ladies and gentlemen, that was our last question. I would now like to hand the conference over to Mr. Utkarsh Gandhi for his closing comments.

Utkarsh Gandhi: Thanks, Lizanne. Before we close the call, I'd just like to mention the disclaimer that discussion, information, statements and analysis made describing the company or its affiliates' objectives, projections and estimates are forward-looking statements based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially.

This discussion should not be regarded by recipients as a substitute for the exercise of their own judgments, and the company undertakes no obligation to update or revise its forward-looking statements because of new information, future events or otherwise. With that, we can close the call -- the Q1 call. Thank you, everyone, for joining. Thanks, Lizanne.

Moderator: Thank you, members of the management team. Ladies and gentlemen, on behalf of Glenmark Pharmaceuticals Limited, that concludes this conference call. We thank you for joining us, and you may now disconnect your lines. Thank you.