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POLYMED

Date: 14th August, 2026

Scrip Code: - 531768

The Manager,
BSE Limited,
Department of Corporate Services,
Phirozee Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001.

Scrip Code: - POLYMED

The Manager
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1-Block-G
Bandra Kurla Complex, Bandra(E),
Mumbai-400051.

Subject: Submission of Transcript for Q1-FY26 Earning Conference Call under the SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015

Dear Sir/Madam,

Pursuant to Regulation 30(6) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we hereby submit Transcript of the investor Meet/Call held on 10th August 2026, on the Unaudited Financial Results of the Company for the quarter ended 30th June, 2026, on Standalone and Consolidated basis, which were considered and approved by the Board of Directors of the Company, at its meeting held on 07th August, 2026.

This is for your information and record.

Thanking You,
Yours Sincerely

For **Poly Medicure Limited**

AVINASH CHANDRA
Digitally signed by AVINASH CHANDRA
Date: 2026.08.14 21:45:34 +05'30'

POLY MEDICURE LIMITED
New Delhi

Avinash Chandra
Company Secretary
M. No. A32270

Encl: As above

"Poly Medicure Limited
Q1 FY27 Earnings Conference Call"
August 10, 2026

MANAGEMENT: MR. HIMANSHU BAID – MANAGING DIRECTOR – POLY MEDICURE LIMITED
MR. RAHUL GAUTAM – PRESIDENT, STRATEGY AND CORPORATE DEVELOPMENT – POLY MEDICURE LIMITED

Moderator: Ladies and gentlemen, good day, and welcome to the Poly Medicure Limited Q1 and FY27 Earnings Conference Call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing star, then zero on your touch-tone phone.

Today on this call, we have with us the senior management team of the company, represented by Mr. Himanshu Baid; the Managing Director, Mr. Rahul Gautam, President, Strategy and Corporate Development.

I now hand the conference over to Mr. Himanshu Baid. Thank you, and over to you, sir.

Himanshu Baid: Yes. Good evening, everyone, and I welcome you to our Q1 FY27 earnings call. I sincerely thank all of you for being here today. Before I come to numbers, I want to give you a glimpse of our Strategic Vision 2030, and we're calling this as a PolyMed 3.0. As you all know, PolyMed initiated operations in 1997 with an IPO of INR2.65 crores using which we set up our first plant.

In the next 25 years, we remained bootstrapped and and slowly built our leadership in our core infusion therapy business by taking building global quality products. During this period, business grew from zero to almost INR7 billion in revenue. In 2021, PolyMed started 2.0 journey, which we call the inflection point in our history of the company. We did our first institutional fundraise, which resulted in multifold expansion of capacity. We also entered into high-technology segments like cardiology, critical care, orthopedics.

During this period, we also started our inorganic growth journey with acquisition of PendraCare and Citieffe. Revenue during this period almost went up by 2.75x to INR1,875 crores in FY26. Starting FY27, we have initiated PolyMed 3.0, a phase we are calling Ascent.

During this period, we have set a goal to double our revenue by FY30 by unlocking value by organic and inorganic expansion, leveraging technology to scale high complexity verticals globally and deepening direct customer access, especially in international markets. I believe we are at a point of time in our journey where growth should happen exponentially, led by high technology, high-margin segment.

Given the strength of our balance sheet where we continue to have strong liquidity, we believe this audacious goal is truly achievable. I'm really excited about this phase, which I believe will truly make PolyMed a global medtech MNC out of India. On the leadership front, we have already initiated actions to achieve our PolyMed 3.0 vision, appointed Indranil Mukherjee as our CEO for India and APAC. Renato Rocha as CEO for Brazil. Indranil has joined the company on 1st June 2026.

Renato has joined the company on 1st August 2026. We also brought in Abhimanyu Hooda as Head of Renal business in India to augment sales and also build a strong capability in this segment. I believe our leadership reinforcement will help us to put a strong position to deliver on our aspiration.

Moving on to financial performance of the company and Q1 financial results. On the financial performance side, let me start with the stand-alone performance as this remains core for our group. Stand-alone revenue for Q1 was INR431 crores, up 12.3% with domestic at INR146 crores, giving a growth of 16.2% and international at INR281.8 crores, giving a growth of 10%.

Gross profit for Q1 was 71.5%, showing significant improvement due to better product mix and impact of price hikes implemented in Q1 and inventory gain. I expect that our gross margin should continue to reflect on historic margin trend of 68% to 69% in the near term. We have guided a stand-alone EBITDA margin of 25% to 27% for FY27, but we have delivered 28%, 100 bps higher than the guided range. Absolute operating EBITDA was INR120.8 crores, up 18.8% on a year-on-year basis.

This was despite employee cost rising almost by 29%, driven by 35% increase in minimum wages in Haryana with effect from 1st April 2026, increase in headcount impacting increment for FY27.

Now on the consolidated picture, consolidated revenue was INR525 crores, up 30.3%. Of that INR72.3 crores came from acquisitions. So on organic basis, revenue was INR453.1 crores, up 12.4%. Within International, Europe grew 43.8% to INR187.3 crores. And importantly, it grew 17.6% organically, reflecting improvement in the performance in the region.

As you know, last year, Europe was a laggard. And this year, as we have added some customers, on-boarded new customers, we were able to come back to our original growth or planned growth of 17% to 18% as we had forecasted in the beginning of the year.

Rest of the World grew at 30.3% on a reported basis, but only 4.0% organically. The reason for low growth was 32% de-growth in the Middle East due to ongoing West Asia crisis. Customer demand in the region is intact, but given the current logistics and infrastructure bottlenecks, we are unable to meet that demand. We are hopeful that once the situation improves in the region, we will return to normalcy.

Our order book is pretty strong for Middle East, but currently, we are unable to ship the products. Consolidated gross profit was INR385.6 crores at a margin of 73.4% margin, up 495 basis points. The better margin profile of the newly acquired business is helping improve gross margin.

Consolidated operating EBITDA was INR126.7 crores, up 17.7% at a margin of 24.1% with our guided range -- within our guided range of 23% to 25% for the year. Infusion Therapy grew by 11.1% to INR259.2 crores, led by strong domestic growth on back of rising share of higher value-added products and price increases.

Internationally, we have started to witness a strong recovery in the business despite 32% degrowth in the Middle Eastern markets. Orthopedic contributed INR49.2 crores, which reflects the consolidation of Citieffe. Cardiology grew from INR2.9 crores to INR28.6 crores led by PendraCare acquisition together with genuine scale up of domestic business.

Others grew by 18.5% to INR141.9 crores constituting the balance. The one soft spot was renal. It degrew by 3.8% to INR43.2 crores. The renal business was impacted by continued pricing pressure from Chinese players in India, but we made a conscious choice to raise prices to push the raw material price increase rather than defend volume at any cost. Separately, there is an important development -- based on application filed by the company, the government has initiated antidumping investigation into imports of dialyzers from China and Malaysia, and we have claimed for injury margin of 20%.

And we hope in the next few months, we will see some decision taken by the government to protect local industry. On the balance sheet front, the liquidity remains strong and with a cash of about INR855 crores, which is the reserve we have set aside the strategic initiatives. And let me connect this to our forward-looking guidance for FY27. Before this, I would also like to point out that company has been now pushing hard on developing new medical devices. And for that, we have also initiated a lot of clinical studies.

And as a support, government of India has also granted an aid of around INR3.3 crores for undertaking clinical studies of some new critical devices which we have just recently developed. On the guidance front, on the consolidated basis, we are guiding for revenue of INR2,300 crores to INR2,400 crores, including the full year consolidation of PendraCare and Citieffe. We are maintaining this guidance after quarter 1.

On a stand-alone basis, we maintained revenue guidance of INR1,900 crores to INR2,000 crores with the domestic business expected to grow over 20% and international business growing by over 15%. Stand-alone EBITDA margin is expected to be between 25% to 27%.

Currently, in the first quarter, we have done 28%, but still we think that maybe for the first quarter, the margin was slightly higher because of price increases we have taken and some inventory correction. But hopefully, we should be in the higher range of 25% to 27%. The consolidated EBITDA margin expected to be in the range between 23% and 25%. This quarter, we've done 24%. So we are pretty much in the range.

And hopefully, we can maintain this. We expect to spend between INR200 crores to INR225 crores in the capex for FY27. In summary, this is a quarter where the strategy started converting into numbers. The high technology, high complex segment we invested in through PolyMed 2.0 are now generating the value we anticipated. I remain confident in the direction of the business for the year FY27.

Thank you very much for your trust and time. I will now hand over to operator, and we'll be very happy to take your questions. Thanks, again, everyone.

Moderator: Thank you. We will now begin the question-and-answer session. First question comes from the line of Bhavya Gandhi with Bajaj Alternative Investment Managers Limited.

Bhavya Gandhi: Just wanted to understand on the stand-alone business, we are looking at an absolute revenue of closer to INR350 crores to INR400 crores, whereas in Q1, we have grown closer to 12% on the stand-alone business. So, if you can just help us tally the number in terms of absolute revenue INR350 crores to INR400 crores, where exactly are we planning to get there? Yes, that is question one.

Himanshu Baid: So, you mean incremental growth of INR350 crores to INR400 crores, that's what you mean?

Bhavya Gandhi: Yes, yes.

Himanshu Baid: Yes. So, I think our quarter 1 tends to be the lowest if you look at the history of the business, and it tends to grow as we go into the financial year. This year, because we've also taken a price hike, right, at the beginning of the financial year to account for the increase in raw material prices, the beginning of the year was slightly slow, and we recovered some of the revenue in later part of the quarter. As that momentum continues, we believe that we should be able to get to much better numbers in Q2 onwards and still achieve the guidance that we've given.

Bhavya Gandhi: Got it. Fair enough. And sir, second question is regarding the inorganic acquisition. We have closer to INR850 crores in terms of cash. If you can throw some light what exactly are we looking out for? Are we going to utilize the entire amount of INR850-odd crores, or how is it? That's the question.

Himanshu Baid: So basically, we are looking at expansion organic and inorganic. And as we have done a very small acquisition in Brazil recently, we are trying to put our presence there, and we have -- Board has also allocated some funds for Brazilian market where we can expand the direct sales presence.

And of course, we are looking at technologies around three critical businesses in cardiology, oncology and orthopedics and we're looking at adjacent technologies. And wherever we find an opportunity, we will look at that. And some of the funds are also allocated for the capex to be done at two plants, which are under construction at this moment. And one is coming in Faridabad and then one in Noida basically in the medical device.

Bhavya Gandhi: Okay. Got it. Would you like to share some asset turns for the capex that you're planning?

Himanshu Baid: The asset turns for us if you look, remains between 1.2 to 1.4, and we expect on a balance sheet similar kind of asset turn to continue.

Moderator: Our next question comes from the line of Sidharth Negandhi with CWC.

Sidharth Negandhi: If I look at our India growth ex of Renal, and I'm assuming all of Renal was India, then that is 27%. But overall infusion growth was much lower, right, around 11%. So what was the one that drove -- what was the therapy that drove India growth, if you could give us some understanding?

And on the disruption that you've seen in ROW exports, right, given that this is really at some level, an essential product, have you seen the resumption of exports in Middle East, or are you still envisaging this to continue until the conflict settled? And the third one is do we expect further RM cost impact in Q2 versus what we've seen in Q1, given your inventory levels? I know you've taken certain price increases, but how should one think of gross margins in Q2? Yes, these were my three questions.

Rahul Gautam: Thank you for these questions. Let me take the first one, which is the segment which have driven the growth for us domestically, right? As you rightly said, our infusion therapy business has grown at about 11%, and this reflects the performance both domestic and internationally. On the domestic side, infusion business has actually grown 20% plus for us in this quarter. The other segment which have grown for us is obviously cardiology, critical care, 2 segments which we have recently initiated and those are contributing to growth quite meaningfully in this quarter. Your second question...

Himanshu Baid: So, on the second question, the supply chain on the shipping still are disrupted right now. If you look at the shipping schedule, shipping schedule is still disrupted for Middle East, and it's still hard to find containers which can go to Middle East ports. So still the disruption continues. Hopefully, in coming weeks, we may something easing out. But on the demand side, we see still the demand is intact.

We have orders from customers. We are piling up at the port. But unfortunately, the ships are not calling, so they are stuck up at the port. So that's the issue. On the price side, I think currently, as crude stays where it is, I think we don't see a major impact on raw material costs, but minor few percent here and there, but more or less, I think probably we have almost seen that peak off.

Sidharth Negandhi: Right. And just on the acquisition, any update in terms of how the integration is going? How are you thinking of any integration in terms of cross-sell or the movement of some of that production back to India? Just some updates on that?

Rahul Gautam: Sidharth, I think we are quite happy with the way how the integration process is going on for both the acquisition that we've done. We have clearly identified areas of benefit that both the companies see with each other. We have created a group which is continuously following up on all these synergies. This includes across the cost items as well as on the R&D side plus the sales velocity that we're trying to increase. So on an overall basis, we are very happy on the part of moving the manufacturing process to India.

We are currently working with both PendraCare and Citieffe on that part. Given this is a regulated sector and any such process change needs regulatory approval, some of these processes currently are at the regulatory approval stage.

Sidharth Negandhi: Got it, Rahul. So have we already started seeing some cross sales synergies, or is that going to be more later in the year?

Rahul Gautam: I would expect some of this to start playing out from next financial year onwards because all of these -- given medical devices is a regulated sector, any new market that you want to open up, like even for India, if you want to bring those products into India, we need to the approval from the CDSCO and that process is on. So I would expect that to start visible from next financial year onwards.

Moderator: Our next question comes from the line of Raksha Srivastava from Narnolia Financial Services.

Raksha Srivastava: Am I audible?

Himanshu Baid: Can you speak a louder, we can't hear you.

Moderator: Participant has left the queue. Our next question comes from the line of Bharat C. Shah with BCS Capital Ideas Private Limited.

Bharat C. Shah: Hi Himanshu, good to see the hunger for growth enunciated in Polymed 3.0. So the first question is, you said, you want to double the turnover and margins to be the industry leading margins. And the growth will come both organically as well as inorganically. So when you say 2030, I presume it is March 2030. So 4 years, right?

Himanshu Baid: Yes.

Bharat C. Shah: Okay. And that means doubling will mean about 18% compounded growth in the 4-year journey. How much of that is counted as organic?

Himanshu Baid: So, if you see in current avatar company does around 80% organic business and 20% inorganic business. And I think we'll probably continue at a similar run rate.

Bharat C. Shah: Okay. So about 14%, 15% domestic -- sorry, organic and 3% to 4% comes from acquisition.

Himanshu Baid: So that's a trajectory basically.

Bharat C. Shah: Sure. And by industry-leading margin, I presume much better than what we have outlined for the current year. But what kind of margins should one assume on that?

Rahul Gautam: Bharat, this is Rahul. If we look at the margin profile of PolyMed today, we are already the flag bearer in terms of profitability across the industry. I think we have the ability to improve our margins even now, but given we are focusing on growth in the near term, we want to keep the margins in the similar range. Currently, obviously, margins have been between -- we guided for 25% to 27% margin. We expect that we should close this year with upper end of that guidance range.

And as the scale happens, we should be able to increase that margin as well. But given we'll be reinvesting back in the business from a modeling perspective, assuming a similar kind of margin will be a reasonable assumption to take.

Bharat C. Shah: So similar margins but not lower, right?

Rahul Gautam: Yes, that's right.

Bharat C. Shah: Okay. And Himanshu, I'm just trying to understand when we look at somebody like Meril, which is doing a lot of cardiology-related business, the scale up as well as the margins, the scale itself has happened at a pretty rapid pace. And the margins also are quite impressive. So I was just wondering what kind of opportunities retain until around because this kind of margins and the record scale up in the business, what are your own thoughts and your observation?

Himanshu Baid: So Bharat bhai, Meril started cardiology business around 15 years ago. So it's not something that they started new. They started this business almost 15 years ago, developing products and PolyMed was never in that space earlier. And of course, we still had great margin profile between

25% and 27%. And we have started only two years ago, and that's how we are building it up, taking developing products.

As I just told you, given a grant of INR3.3 croresfor clinical studies in India, because these are -- a lot of these are import substitution devices. So that's been our focus. And as we move up, again, regulatory pathway is very important because that needs time, and it cannot be sidelined with the product, and you can start selling tomorrow. So it's all about regulatory pathway, clinical studies.

So we're building this up. And I think in the next 2, 3 years, you will see a lot of new products coming from our portfolio on cardiology side. And I think that's a journey we need to take. But let's not forget that we have our global excellence on infusion and vascular access, and we will continue to build that globally also. So we have a cash cow.

We have a product which works very well for us. So we'll continue to build there, but we'll also continue to invest in this new area of orthopedics, cardiology and critical care that will help us to actually grow business in India and internationally in the near future.

Bharat C. Shah: And just one last thing. Last year in many ways there's been a bit of a tumultuous kind of a year where many imponderables kept coming in, many of them outside your control in the external environment. Today, as we stand and armed with some of the acquisitions that we have done with the plants and the capacities in place and some of the new categories established. When you look at the 2030 Vision that you have spelled out, what are some of the very positive points you carry in your mind, and what are still some of the challenges that you visualize?

Himanshu Baid: Bharat, it's a long question, but I'll try to answer in a short time. So one is, I think on the opportunity side, India happens to be the best opportunity in my view because now PolyMed brand is very well known. Today, we are present in almost every corporate hospital in the country or every important hospital. So most important thing will be to deepen that relationship with those hospitals and start working more aggressively in putting more products out there. So I think that is number one priority.

Number two would be Europe where we continue to expand our business and continue to go as a go-to-market direct strategy. We're currently present only in Italy. So we want to go in maybe 3 or 4 geographies, we want to go direct. So that's a very important part of the strategy. And as we just hired a CEO in Brazil, so we'll also put a strategy there to go to directly with more new products, the newer range we have today.

So currently, our distributors only sell our existing products. For new product ranges, we will want to go direct. And so that is on the product side, market side. So -- and product side, anyways, we are going to launch 25, 30 products a year. So that's already in the pipeline, is already happening.

I think challenges is probably the geopolitical risk, which I see. U.S., uncertain because of every day, there is a new situation which is coming up. Middle East, hopefully, the war kind of settles down so that the markets resume, and we are able to resume the flow. And also the logistic costs, which have actually gone up substantially 2, 3 times in the last 6 months, I think they will have to come down for India to remain competitive in exports. So these are some of the things which come to our mind, Bharat.

Moderator: Next question comes from the line of Deepak with Sundaram Mutual Fund.

Deepak: Am I audible?

Himanshu Baid: Yes. Please, go ahead.

Deepak: So congratulations on delivering a resilient set of numbers. I had a couple of questions. So first, on the acquisition. Sir, would it be possible to call out, let's say, in euro terms, what was the Y-o-Y growth of PendraCare and Citieffe and EBITDA margin for this quarter?

Rahul Gautam: Deepak, I'll have to separately touch base with you on that. I don't recall that number immediately.

Deepak: Okay. And sir, second, if I look at our exports growth ex of acquisition, in Q1, roughly as per my calculation, we have done somewhere around 10% to 11%, which denotes that in 9 months going into this year, we would have to clock more than 15%. So just wanted to know your thoughts around what will drive this organic export growth in the next 9 months? And what's the growth outlook for the renal segment since in the PPT, you mentioned that we are facing some competition due to Chinese dumping?

Himanshu Baid: See, on the export front, I think for us, Europe, again, because we have done some new customer acquisitions. So that seems to be the growth market for us this year. And Southeast Asia is also doing very well. So I think these are two markets I'll call out for the moment. U.S., yes, we are growing, but we don't know what's going to happen.

If we have 100% tariffs tomorrow or today night, I don't know. So it's a pretty fluid situation regarding U.S. But these are the 2 important geographies will continue to grow. And I think once the situation in Middle East improves, I think we will see probably maybe more than -- maybe more than 20%, 25% growth from Middle East. So currently, everything is stalled and all the orders are still lying at ports or in factories.

So I think that is something we are looking at. And so export growth should happen. There is no reason it should not happen, and we are pretty confident. And we have almost 25 new products in pipeline for CE marking, which should come sometime between now and next 3 to 4 months. So that would also add to the bucket -- basket for increasing the basket for exports. And the second question...

Deepak: Renal segment growth outlook.

Himanshu Baid: Pardon me for that. So on the renal side, I think we had a de-growth of around 3% in the first quarter. But I think again, we have -- as you have -- maybe my earlier comments, you must have heard about government opening an antidumping probe because we were pushing the government to look into the pricing, which was dumped by Chinese. And most of the Chinese companies are importing to India zero duty using ASEAN FTA. So I think even day before yesterday, there was a ministers meeting, and we have also flagged that issue again to the Minister, Mr. JP Nadda.

And with this antidumping probe getting evaluated right now and with the injury margin of 20%, we think that something will happen between now and end of the year. So that's number one on that front. But secondly, we have hired Abhimanyu Hooda, which you must have heard in my opening comments. He comes from a strong Renal background and probably that will also help us to turn around and work with distribution partners in the country and outside the country to grow that business.

So hopefully, year-end, we should end with a growth of around 15% to 18% in the business, maybe close to 20%, depending on how it goes, but we are pretty confident of this growth even in spite of all the challenges we face today.

Deepak: Okay. So that's very heartening to hear. And sir, lastly, if I look at our gross margin, this quarter, we have reported multi-quarter high gross margin. I understand that you also mentioned that we have taken some price hike, which could have helped us to reach in this sort of gross margin. So let's say, on a steady-state basis, at least in the near term, let's say, the 9 months of this fiscal year, how should we look at the gross margin? Should it normalize to that 68%, 69%, or will it continue to clock above 70% rate?

Himanshu Baid: See, basically, on a stand-alone basis, we should see between 67% to 69%. This is what we have called out also earlier. And also on the, let's say, consol basis, we should see further maybe 200, 300 bps improvement because PendraCare and Citieffe have operated on a higher gross margin. So they probably, at the end, consolidated numbers should look between 71% and 72%, whereas stand-alone should look between 68%, 69%.

Moderator: Next question comes from the line of Rashmee Shetty with Dolat Capital.

Rashmee Shetty: So again, on the margin front, on the consol level, overall gross margin, you said it is in the range of 71% to 72%. But on the consol level, our other expenditure and personnel cost for this quarter is pretty high. So on an annualized basis also, it would be a similar run rate of around 24% of sales in the subsequent quarter?

Rahul Gautam: Yes. So Rashmi, as you mentioned, our guidance for consolidated EBITDA is between 23% to 25%, and we are maintaining that guidance. As you rightly noticed, the people costs and other expenses are higher in case of our acquisition, that's reflective of the nature of the business, plus the fact both the business are currently scaling up. And that's why our consolidated EBITDA margin guidance is lower than our stand-alone EBITDA margin.

Rashmee Shetty: Okay. And on sales front, our -- if you just compare organic and inorganic sales for this quarter, inorganic is around INR73 crores in the export business. So what I understand that given whatever CY '25 sales you have given for the acquired companies and if you convert it into the euro-INR currency, then we have not seen -- we are just integrating, right? We have not seen any major growth in the acquired companies, that is in the inorganic company's sales. We have not seen the pickup yet. Am I correct on this part?

Rahul Gautam: Yes. So basically, you have to break it down into two parts. PendraCare and Citieffe are two different entities, both having their own set of growth journey. For PendraCare, as we had highlighted in our last call as well, they had over-indexed exposure to Middle East of about 20-odd percent. So that business is actually currently not growing.

In fact, we witnessed a de-growth over last year as well. Citieffe is growing as per expectation in mid- to high single digits. And as the synergies kick in, we should be able to increase that further.

Rashmee Shetty: Okay. So in the coming year, what is the kind of growth we are assuming in case if Middle East problems get resolved for FY28 from the acquired company?

Rahul Gautam: Yes. So I think on a long-term basis, as we have called out earlier in our acquisition calls as well, these assets on the stand-alone basis have the ability to grow in high single-digit revenue growth. With the synergies that we want to drive in through product development, cost reduction as well as through sales channel expansion, we want this to go into the mid-teens as an aspiration basis, assuming the current geopolitical situation resolves itself over the course of next few quarters.

Rashmee Shetty: Okay. So is it better to assume that from next year onwards, when the sales pick up and when things get resolved, we will be able to see the overall EBITDA margin, including the acquired companies to expand at least 100 to 150 basis points?

Rahul Gautam: We haven't given any guidance like this at the moment. So Rashmi, I won't be able to comment. But directionally, as these businesses scale up and the synergy benefits kick in, we expect the margins of these entities to improve, which will reflect in the consolidated EBITDA margins as well.

Rashmee Shetty: Okay. And last question, just on the gross debt figure, if you can give that figure, and what are the kind of repayments you are expecting this year?

Rahul Gautam: I mean PolyMed stand-alone does not have any debt other than the working capital debt.

Rashmee Shetty: Yes, working capital.

Rahul Gautam: Yes. So that amount is about INR250 crores, which is a revolving credit. On our international subsidiaries, again, PendraCare does not have any long-term loan. For Citieffe, the total loan is about EUR 9 million, of which about 1.5 million to 2 million has to be repaid every year.

Rashmee Shetty: Sorry, how much?

Rahul Gautam: 1.5 million to 2 million Euros to be repaid every year.

Moderator: Next question comes from the line of Sidharth Negandhi from CWC.

Sidharth Negandhi: Just a quick follow-up on what you mentioned to Bharat bhai regarding the overall growth aspiration. So if I have to look at a 15% growth on the FY26 figure, right, that gets me to INR3,000 crores out of a total of what we may have and the remaining will then come from

Citieffe plus PendraCare plus any new acquisitions that we make. Is that the right way of thinking about that?

Rahul Gautam: So Siddharth, you can help me where are you doing the calculation, if you're looking at stand-alone numbers only, then you have to also add Plan1 Health into that.

Sidharth Negandhi: So what I'm looking at is INR1,750 crores, excluding PendraCare and Citieffe last year, right, which at 15% for 4 years gets me to about INR3,060 crores, right? The...

Rahul Gautam: Sorry, I don't understand because we've guided for a 2x on an overall basis...

Sidharth Negandhi: I'm saying overall, if I look at 2x on INR1,875 crores, right, that leaves me with a gap of about INR690 crores. So INR690 crores is essentially PendraCare plus Citieffe plus any new acquisition. Is that the broad framework that we should keep in mind?

Rahul Gautam: I think the PolyMed stand-alone business will grow faster than the subsidiaries directionally because the European assets are growing at a certain pace. PolyMed has been growing much higher pace. So I think the same kind of growth may not be accurate. On a consol basis, we are seeing obviously 2x, but Polymed stand-alone will grow faster than the underlying subsidiaries.

Sidharth Negandhi: Okay. Got it. Got it. And just a clarification on the RM cost. So this quarter, the reason we have the kind of gross margins we do is more due to the inventory that we were carrying plus the price hikes we took. And therefore, should one expect some impact in Q2 or that's not really the case?

Rahul Gautam: No, no. So I think it is a mix of multiple things, includes price hikes, product mix as well as the inventory sort of gains. And as Himanshu mentioned in earlier part of the call, we are guiding for more like a 68% to 69% gross margin rate on a stand-alone basis. So obviously, that would mean that there could be some correction to what we have reported in Q1 as gross margin.

Himanshu Baid: But overall, EBITDA may remain the same, depending because of the higher revenue, which we have projected for coming quarters.

Moderator: Our next question comes from the line of Bhavna with NAG Analytics.

Bhafna: I wanted to know what is the tariff impact from the U.S. you're estimating for financial year '27?

Himanshu Baid: See, U.S. tariff in FY27?

Bhafna: Yes.

Himanshu Baid: So currently, the duty is only 10%. So if it remains where it is today, then I think we still have a good pathway, but if any changes happen, then it may impact the business. U.S. exposure is not very big. This year also, our exports to U.S. will be close to between USD 3.5 million to 4 million. So it should not be a big issue today if anything happens in the U.S.

Moderator: Our next question comes from the line of Bhavya Gandhi with Bajaj Alternative Investment Management Limited.

Bhavya Gandhi: Sir, if you were to break up the overall employee expenses and other expenses, how much portion of that would be fixed, and how much would be variable as a percentage of sales? We have around 24% as a percentage of sales coming from employee expenses and other expenses also closer to 24%. So if you can just help us.

Himanshu Baid: Yes. We don't give that breakup. So unfortunately, we won't be able to give you an answer right now on this.

Bhavya Gandhi: Okay. Just I wanted to understand how much is the operating leverage, which can still play out on a longer-term basis, not just 1, 2 quarter or 1 or 2 years. Just wanted to understand on a very long-term basis on a 3- to 4-year basis, how much could be the operating leverage that can play out?

Himanshu Baid: Yes. So I mean, as you understand, we are a manufacturing company. So we have a lot of blue-collar workers, who are involved in production. And that's also a very, very reasonable part of our total employee cost, which you see on a consolidated basis. That piece remains as variable.

Rest all is fixed, obviously subject to productivity gains. But within the staff also, there is a fixed portion plus a variable portion subject to performance. So it's a mix of things. So it's tough to give a very ballpark number right now on the call.

Moderator: Our next question comes from the line of Girish Jain with KJMC Capital.

Girish Jain: Himanshu-ji, you in the beginning, you outlined Strategy 3.0 Vision 2030, that was very helpful. And as you mentioned, we are planning to double the revenue by 2030 by both organic as well as inorganic means. Now given the fact that we are now transitioning, or we have already transitioned from being product focused to make therapy focused, if my understanding is correct, are we looking to enter any new therapies, or we want to expand within the given therapies which we are already operating in?

Himanshu Baid: So Girish-ji, I'll answer it straight away. See, currently, we have just started these therapies. It was just started, maybe some were started last year, but some year before that. So these are very, very new. If you remember, historically, our infusion business is 30-year-old business.

So it takes time to mature any therapy, and there are a lot of regulatory roadblocks, which prohibit you from even moving out of the country because these are mostly critical devices, Class III devices. It takes very much, much longer to register most of these products, sometimes take around 2, 3 years to register product and do clinical trials. So I think we have enough on our plate right now with our existing businesses. And I don't think we'll be ready to launch anything new substantially in the next few years.

Girish Jain: And given the existing therapies which we are present in, would it be safe to assume that we cover almost 60%, 65% of the consumables used in the hospital?

Himanshu Baid: I don't think so, Girish-ji the market is very huge. Today, if you look at consumable market, there are many other therapies like peripheral vascular, neurology, urology. There are so many other therapies which -- let's say, endosurgery. There are many, many therapies which we don't cover, gastroenterology. So there are many deep therapies we are not covering today.

So a lot of potential across different verticals. But again, it will take time to build a portfolio of product. But as we move along, I think next few years, definitely, there is some work happening in the pipe, but I cannot disclose what we are going to do in the next 2, 3 years on this call basically. It's impossible.

Girish Jain: Right. And I think you mentioned sometimes that we are seeing some bounce back in the order business probably because of the inventory normalization. Could you comment on that and also give some idea of the working capital cycle? Have we seen any improvement in that?

Himanshu Baid: So on the Europe side, we have already seen a growth of around 17% in quarter 1 compared to the previous year. So I think the demand has come back. Also, we have added some new customers. There are some customer acquisitions also. So I think Europe seems to be in a pretty safe and good place.

So we are back with the growth in European market. But on the working capital cycle, I think the cash conversion is still in the same level. In March, it was 140 days. Currently, it's also in a similar range of 140 days.

Girish Jain: Okay. And do we expect that to improve going forward?

Himanshu Baid: Sorry, can you repeat that again, please?

Girish Jain: Do we expect that to improve the cash conversion cycle?

Himanshu Baid: I think it depends, but I would suggest that currently, we should read it like this. But hopefully, maybe as time progresses and situation -- global situation normalizes, I think we may see some improvement because of high oil prices, also most of the export markets are a little choppy because of hard currency are not available in time in many markets where we operate.

But now as probably prices stabilize, oil prices stabilize, things will change and improve. So hopefully, the cycle should improve. But I don't have any definitive answer today, but hopefully, it will improve.

Rahul Gautam: And Girish, if I could just add to what Himanshu said, given the current geopolitical situation and the war going on, the time for getting the products to the customer has also increased, which does tend to put pressure on recovery cycle because you can start getting your cash flows only once the product reach, right? So given that situation, it's tough to give a forward-looking guidance on this at this point of time.

Moderator: Next question comes from the line of Pramod Bhat, an Individual Investor.

Pramod Bhat: I just have one question. From the portfolio, I see that most of the products are the existing products with some other medtech companies. Like we don't produce something new. Do you have anything in plan that you are making something entirely new, which is not currently existing with other medtech providers?

Himanshu Baid: See, basically, if you see PolyMed has 399 patents, and I think we have also disclosed that in the presentation we put out. So PolyMed has a lot of products which have breakthrough technology. I don't know who we are comparing with. A lot of companies do copy our products. PolyMed is a market leader in infusion therapy and a lot of other therapies we operate on.

And that's the reason we are able to make that kind of margin, which other companies don't make. So this industry basically works on two different parameters. One is a product performance where we have a global leadership there. And then our products are going to 125 countries because this is based on performance, nothing works on price. And second is ability to add innovation, innovative ideas on the existing products.

The products may look similar when you look from a catalog perspective. But when you use them or when you -- when a user sees, basically which is a clinician, or a doctor, they will see the differentiation in the product.

Pramod Bhat: Okay. So those patents are worldwide patents, right?

Himanshu Baid: Sorry, sir, can you repeat again, sir?

Pramod Bhat: The coverage of those patents is not some region basis, right? It is a global patent.

Himanshu Baid: Patents are patent. They are global patents.

Moderator: Our next question comes from the line of Girish Jain with KJMC Capital.

Girish Jain: I just wanted to add one question. Himanshu-ji, you mentioned about the new facilities operational. I think one you mentioned was in Noida [inaudible 0:50:01]. Any time line...

Himanshu Baid: I'm not able to hear very clearly. Can you please repeat the question? Maybe you are on a speaker phone. I'm not able to understand very clearly.

Girish Jain: Okay. Can you hear me now?

Himanshu Baid: Yes, much better, sir.

Girish Jain: Yes. I was mentioning that during the call, you mentioned about two new facilities coming online in the system, one is at Noida and the other one at another place. Could you give us some time lines when are we expected to become operationalized? And which particular therapy, if we have decided -- which therapy they will be focusing on?

Himanshu Baid: So basically, the one coming up in Faridabad, Palwal area would be basically focusing on orthopedics and transfusion business, which we are expanding right now. And then some part of extra capacity expansion of infusion will also go there. And talking about Noida. Noida, we are already planning to expand our cardio business basically out of the Noida facility.

Girish Jain: And will they come online in this financial year?

Himanshu Baid: The Faridabad Palwal facility should come online by March '27, most probably, that's the time line we are looking at, so first quarter of next year. And the Noida facility will come live in quarter -- first -- maybe commercially quarter 1 of FY28.

Moderator: Ladies and gentlemen, that was the last question for today. I now hand the conference over to the management for the closing remarks. Thank you, and over to you, team.

Himanshu Baid: Yes. I think, thank you, everyone, and thank you for all your questions. And I think I hope we are able to answer them. And let me assure you again to all the investors that the company is on a growth path. We have made systemic changes in the portfolio.

Our overdependence, which was there in the vascular segment now is now only 50%. So there's a lot of diversification which has happened. And we have moved more from low, medium technology to high-technology business. And I think that is where we are shaping up. Also, we are adding more electronics in the business where our dialysis machine, our IVL therapy is run on machine.

So I think we are diversifying into higher category of business where there are more platforms and products itself. So that's the change we are bringing in the portfolio, and that's why we see a growth. And most of the newer products we are developing today are import substitution products. And definitely, that will help us to take more market share as insurance penetrates deeper into the hospital sector, Ayushman Bharat, penetrates deeper into the hospital sector in India. I think that will change the landscape where hospitals will look at more quality-oriented cost-effective devices versus imported devices which we are using today, which they are more expensive.

So, these are the changes we see in the industry. And thankfully, this industry continues to grow at a good pace in India, the health care industry. And I think as that industry grows, medical devices industry, medical technology industry will -- as one of the partners of our industry will grow in the same pace or even higher. Thank you again for your time and look forward to talk to you soon.

Moderator: Ladies and gentlemen, on behalf of Poly Medicure Limited, that concludes today's conference. Thank you for joining us, and you may now disconnect your lines.