

CSD/BSE&NSE/CC/2022-23  
February 13, 2023

**To**  
**The Manager**  
**Department of Corporate Services**  
**BSE Limited**  
**25th Floor, P. J. Towers,**  
**Dalal Street, Mumbai - 400 001**

**To**  
**The Manager**  
**Listing Department**  
**National Stock Exchange of India Limited**  
**Exchange Plaza, Bandra Kurla Complex**  
**Bandra (E), Mumbai – 400 051**

**Scrip Code: 543064**

**Scrip Symbol: SUVENPHAR**

Dear Sir/Madam,

**Sub: Transcript of the earnings conference call for the quarter and nine months ended December 31, 2022**

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Pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings conference call for the quarter and nine months ended December 31, 2022 conducted after the meeting of Board of Directors held on February 6, 2023.

The above information has been uploaded on the Company's website at <https://www.suvenpharm.com/index.php/investors/financial-info/quarterly-release>

This is for your information and record.

Thanking You,  
Yours faithfully,  
For **Suven Pharmaceuticals Limited**

**K. Hanumantha Rao**  
Company Secretary

Encl: as above

**Suven Pharmaceuticals Limited**



## Suven Pharmaceuticals Limited

### Q3 & 9M FY23 Earnings Conference Call Transcript February 7, 2023

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**Moderator:** Ladies and gentlemen, good day, and welcome to the Q3 & 9M FY23 Earnings Conference Call of Suven Pharmaceuticals Limited. Please note that this conference is being recorded.

I now have the conference over to Mr. Rishab Barar from CDR India. Thank you, and over to you.

**Rishab Barar:** Good day everyone and thank you for joining us on this call to discuss the Q3 and 9M FY23 Earnings for Suven Pharmaceuticals.

We have with us Mr. Venkat Jasti – the Managing Director; and Mr. Venkatraman Sunder – Vice President (Corporate Affairs); and Mr. P Subba Rao – CFO of the company.

Before we begin, I would like to mention that some statements made in today's discussion may be forward-looking in nature and may involve risks and uncertainties. Documents relating to the company's performance have been emailed to you earlier.

I would now like to request Mr. Jasti to share his perspectives on the performance and outlook. Over to you, sir.

**Venkat Jasti:** Thank you, Rishab. And good afternoon, everyone for tuning in to the updates on our Q3 & 9M FY23 results of Suven Pharmaceuticals Limited.

As you know, we have a quarter-on-quarter sequential increase in the revenue, but if you see the 9 months, it's more or less flat. At the same time, the EBITDA is less by about Rs. 13 crores odd mainly due to the product mix. As you know, the Specialty Chemical has more or less equal to the number for the corresponding period last year, we have achieved it in this quarter 3 itself. With seasonality update, when the growth starts coming in, the trend sometimes it will be moved ahead or sometimes it may be moved backward and this time it has moved to the third quarter itself and we'll be going into fourth quarter with this growth. This will keep happening and it may not be the same year-on-year. Next time, it may be a little bit later also, if possible, but it will be bunched up in 1 quarter like compared to the last year third quarter, this year third quarter, the Specialty Chemical has almost doubled. But whereas the CRAMS has come down and mainly due to the COVID revenue out this year. And as we mentioned originally in the beginning of the year because of the less COVID molecules, the revenue will be down by around 5% or so. And in the middle of the year, we have said maybe able to catch up to the flattish compared to last year number or maybe a little bit better.

So, as now this thing stands, I think maybe we'll be able to come to the same number as last year, maybe a slight growth of earnings too also is a possibility. And if you see on the macro level, since I cannot give you any kind of projections, as our visibility is only 6 months, I just wanted to give some kind of

macro scenario, as you know, the CDMO businesses is globally growing around 77% with target price of above Rs. 130-140 million. And after this COVID debacle, now the R&D thing is coming back from the global pharma into the medial field. And, we have heard from our customers during the CPHI in November that they're also looking to change from China to other countries and India is likely to get benefitted. It may not happen overnight, but the things are going in the right direction.

So, it's what we have created over the last 20 years, we'll be doing customer interaction for customer stickiness and more opportunities for us with increasing capacities and increased chemistries. Well, as you know, we have been doing very good for the last 4 years with a CAGR of over 41% growth.

So, all-in-all, you may see this up and down as you know in our business models, it's not quarter-on-quarter, sometimes it may not be year-on-year, but at the same time things are looking good. But there will be ups and downs in between and most of you are well aware of it. I think the long-term growth prospects are very good and we expect that to benefit us in the long run, especially with the China Plus One or China Minus One whichever way you call it. I think all-in-all, we look good, but this is the status as of now. I think it's a better only to answer you rather than giving you most of the outlook.

So, I now look forward for your questions.

**Moderator:** Thank you very much. We will now begin the question-and-answer session.

We have our first question from the line of Rashmi Shetty from Dolat Capital.

**Rashmi Shetty:** Sir, on the speciality chemical business, though you admitted the growth is through seasonality, just want to understand that the current sales growth during the quarter and in the first 9 months of that sum, it is from only 2 molecules, or we have received some repeat orders from the third molecule also. And earlier we guided that there would be a flattish growth in FY 23 in Specialty Chemicals business, but now, because of the higher growth in the 9 months, do we upgrade our guidance on this piece of business for this particular year?

**Venkat Jasti:** As I was telling you, it's cyclical in nature compared to other businesses in specialty chemicals itself. The situation with respect to the drought, the rainfall or whatever it is, the sorting of the crops and all, they keep changing it. So, this year it was preponed looks like and more requirements came. I think they have taken this on the adjustment with it also. So, that's why if you see in 9 months itself, we have with regards to last year's number. With respect to the product, the small amount of the third product also sold in the first quarter, which we have told you earlier. Otherwise, these 2 products were the main things. But at the same time, it can happen that the next requirements well maybe pushed not into the first, second quarter, maybe third and fourth quarter again, all bunched up in one go. But all in all, as per the customer thing only, we are saying it's a flattish growth on the Specialty Chemicals. But when the things are good, suddenly they may get the requirement and which we are able to supply in time. So, that's the way it goes.

**Rashmi Shetty:** And sir, on your CDMO pharma business, in the middle of the year, we expected that probably for this year, we will be able to do some small single digit growth. But considering the fact that we have shown a decline in second quarter and third quarter, do you think that for this full year, we will see a decline in the

pharma business, CRAMS business? Or you think that some sales got deferred and it will come back in quarter 4?

**Venkat Jasti:** I think slight decline will be there, but quarter 4 may not make it to the concrete number to that level. But in general, based on the feedback during the CPHI last November, I think now is the first quarter, now the year starts where we have most of the European and American companies in January. So, I think we should be able to be more number of opportunities coming, and of course, repeat business to be coming in. I think as of now except the COVID and some generic molecules, other things are all on track only. I think they're not much different. So, we expect that single digit growth should still happen.

**Rashmi Shetty:** In the pharma business, so you expect that in ex-COVID molecule you will get single digit growth of the year?

**Venkat Jasti:** Yes.

**Moderator:** The next question is from the line of Cyndrella Carvalho from JM financial.

**Cyndrella Carvalho:** So, if we look at this quarter, we have higher contribution from the Specialty Chemical side and still we have maintained our EBITDA margin. So, is that a better contribution from the new products that we have in the Specialty Chemical? Or how should we understand the margin aspect for this quarter?

**Venkat Jasti:** See, you cannot attribute everything to 1 product and other if the total product mix, especially the things that goes in, the Specialty Chemicals are same as last year. There is no difference. So, the improvement if at all is in the CRAMS side of the business. Even though volume is less, the product mix, value addition, and all that stuff will play a role. But year-on-year basis, it will change, it will not be same.

**Cyndrella Carvalho:** Sir, just wanted to understand in case like we are seeing higher profitability coming from these speciality side, that's the reason I was trying to understand. And in terms of our CDMO business, how should we see, sir, any visibility that you can provide on the coming fiscal FY24?

**Venkat Jasti:** It is very difficult, you know that. And I never give you the fiscal target, that's why I gave you the macro level view that are happening, whether that translates into the business for us or not, we don't know. But as of now, we are hoping that around 10% growth as I keep telling you all the time, we expect the same if not better. But right now, we can only tell you what we have that is less than 5 months visibility for now, which is looking good.

**Cyndrella Carvalho:** And sir, if we look at the Advent deal, where are we in terms of the process? Right now, any timelines that you can allude? And in terms of process, you can highlight any details on that side?

**Venkat Jasti:** Regarding that Advent thing, I mean they have to do all the approvals, they have to get it and we have the timeline up to August of this year to get all the approvals. So, like the CCI and DOP and the DIP, whatever you can call it, they have applied and waiting for the approvals process to take place.

**Moderator:** The next question is from the line of Darshit Shah from Nirvana Capital.

- Darshit Shah:** Sir, just wanted to know a couple of things. One on the forward integration on the API part, and we were in talks with a few of the clients who were probably planning to come and see the facility and then give a go ahead. Sir, any update you'd like to throw on that?
- Venkat Jasti:** Forward integration of the API, okay. As you know, last time as I told you we are now talking to them but they must come and audit the same as they are different departments. And they are expected to come according to their second and third quarter, that means first and second quarter of ours. They are likely to show up soon and it takes time, but we are working on that direction, yes.
- Darshit Shah:** And sir, currently, how many products do we have under commercial and Phase 3 if you would tell us, I mean including the COVID, sir?
- Venkat Jasti:** Well, we have around 7 products.
- Darshit Shah:** In the pharma – CRAMS?
- Venkat Jasti:** Yes.
- Darshit Shah:** And any colour on the Phase 3 products?
- Venkat Jasti:** Now, there is no indication from the customer because unless they get the results out and then only, we get the intimation. As of now, there is no indication of whatsoever when that will happen. Things that are in this Phase 3, when they will move likely to the next level we have no update.
- Darshit Shah:** That I understand, sir, that you don't have any indication, but any late stage products if you can see, I mean, that might happen in 6 months, 12 months. But any number of late stage products we have in the pipeline?
- Venkat Jasti:** Yes. We always have number of projects in the Phase 3 and they keep changing it. As we have done effectively with the molecules. We have our products in the pipeline.
- Venkatraman Sunder:** Sir, we do have late stage projects, but we will not be able to give projections based on that. That's what we are trying to say.
- Darshit Shah:** And sir, lastly, if I may ask on Suven Life, sir, any update you like to, since we hold Suven Life shares, any update you'd like to throw on the Suven 3031? What's the progress? How's the safety part been addressed? Since we have enrolled quite a few number of patients there.
- Venkat Jasti:** Yes, almost 90% enrolment has been done, this quarter. According to the estimates by them, because of the seasonality and all that stuff and enrolment, it is likely to be in September quarter. October quarter, we should be able to get the data.
- Venkatraman Sunder:** See, last patient may come in around the June timeframe. That means from there, we'll take about at least 90 days to 120 days to get the data crunching and then we will get the final number.
- Darshit Shah:** But how has been your safety part? Has it been safe enough?

- Venkat Jasti:** Yes. We just started. We have around 9 patients already enrolled in the 502 phase 3.
- Moderator:** The next is question from the line of Damayanti Kerai from HSBC Securities.
- Damayanti Kerai:** Sir, can you please elaborate bit more on your CDMO business from what is happening mostly at the customer level? So, you mentioned about R&D and then China plus one strategy, etc. So, can you throw some more colour there and how we should look at this business for say, next 2 to 3 quarters?
- Venkat Jasti:** As you know, customers' interaction happened finally via video chat. Before that we had only the regular meetings, which would not have any other thought processes and the pipeline and all that stuff, only the transaction-based activity we'll be doing it. The way they have said it, now they're coming out of the COVID situation and starting the new what you call footing or purchase for the new products and all that stuff. And that's one thing. That means it will start flowing out the new projects eventually. And the second thing they're also looking to outsource more. I mean, one is the R&D spending is going up. The second thing is they are going to change their sourcing strategy, it may not happen overnight as I was telling, but on the China too, and some the other territories. And most likely, India will be the most opportunistic for them. And that's what they are looking at it. So, in that process, that's why I gave because I don't give you any projections, but I just gave this because until that time, everybody was at China plus one, I was saying no, it may not happen. But after the CPHI, we are in kind of inclined to say yes, this is not only the increased R&D spending, but also the increased outsourcing in the global market scenario in terms of control that is happening in CDMO. I guess players are likely to get more benefitted and us being the long-term player for more than two and a half decades, with all these big pharma and with all the kind of infrastructure and the mindset and the focus with which we do the FT based activities, we are at the front end to get any opportunity that will come to us. That's what it is.
- Damayanti Kerai:** That's good to hear. So, are we seeing more enquiries or RPF from the customers or things are still in discussion stage?
- Venkat Jasti:** Yes, it will come but only a couple of months ago it happened. And the holidays are over. Now they're fully back into the things and they will start now doing thing. I think you will see in 2 to 3 months, the flow of this will hopefully increase.
- Damayanti Kerai:** And just a clarification on R&D. So, I guess till a few months back, we heard about some curtailment or pullback by customers in terms of R&D spend. Now, you are saying, things should improve from here on and you're already seeing some improvement?
- Venkat Jasti:** We heard that, but we have not seen on the ground yet. And we will only see that if I guess in case of 2 to 3 per month requirements, then I'll say, yes.
- Damayanti Kerai:** So, considering all, most likely say another 1 or 2 quarters, we should be seeing things moving up from here?
- Venkat Jasti:** That's what I hope based on the feedback we have.
- Moderator:** The next question is from the line of Abdulkader Puranwala from Elara Capital.

- A. Puranwala:** Sir, can you please provide some colour on the products which under pharma as well as on the speciality chemical side which we would expect to go commercial in the next 2-3 years? Any timeline or anything what you would have heard from the customers since you mentioned that the global pharma activity is picking. So, on the commercialization side, if you could provide some clarity, it would be very helpful.
- Venkat Jasti:** You know very well that it's very difficult even for the customer to say anything, and for me to tell it's highly impossible because unless the data comes out, they cannot tell. So, as I was telling the earlier caller, I have no indication whatsoever. With respect to Specialty Chemicals, we already mentioned the fourth molecule should come in FY24. That's the only thing we have an update on that. No, not an update. We are reiterating whatever we said earlier. So, it's very difficult for me to give more detail. Until they know, we do not know. It can happen maybe say two months from now, but we don't know that thing because you understand, we also know how drug discovery works. So, we would not be knowing our own 3031 what will happen until presently until November timeframe, right? So, similar things for our own investors and customers also. They may not be able to tell. Only thing they can tell whether the study is going on or about to complete or whatever. That's only they can tell, but right now the results we have not been able to forecast because these are all double-blind studies.
- A. Puranwala:** So, sir, on third molecule and the Specialty Chemicals side, sir, has it started contributing? I mean, in Q3, was there any contribution or?
- Venkat Jasti:** No, no, it's only the quarter one it is over. After that they said you have again 18 months later only it will come back.
- A. Puranwala:** And sir, largely on the margin front, if you could provide some clarity as to, you know, where the margins would sustain? Would this 42%, 43% range be something which could sustain ahead, I mean, when you talk about from an FY24, FY25 perspective?
- Venkat Jasti:** Yes. I mean, remember we always say +40% is the normal for us as of now as the thing stand. Okay. There will be 2% extra one quarter, 3% extra one quarter, but +40% is normal for us. And as of now I don't see any reason why it will go down, as of now. It can also go up as you know some quarters it goes up. But all in all, at the end of the year we are in the range.
- Moderator:** The next question is from the line of Gokul Maheshwari from Awriga Capital.
- Gokul Maheshwari:** So, can you just give an update on the Casper facility, which you acquired last year and whether your contract to increase the capacity utilization over there? And would you require any more investments in that facility?
- Venkat Jasti:** As of now we have filed about 10 already, and there are some filings still going on. The approvals are coming one by one, and the first product will be sometime in April, May timeframe would be going out. And right now, I don't need any capital expenditure for the Casper. Only these things, we have 1.2 billion capacity in that, and only when that is done, we will be knowing it. And as you know, we also have capability at Pashamylaram site. So, we can imagine we can do that. We have enough time to create infrastructure if needed. That is not a problem, but right now we do not need any additional capacity.
- Gokul Maheshwari:** In the nine months, what would be the contribution of Casper in our sales this year?



**Venkat Jasti:** As of now, there is no contribution much, it's only the expense and we clearly mentioned it will be about 12 to 15 months when we took over the company. Before we see the revenue and we expect the revenue will only come in the breakeven that will be about 36 months from the day when we have taken over. So, it depends on how the molecules get approved and when they go and what is the profitability out of that. And as of now it's only one or two that are going. So, based on that it difficult to tell until it goes to market.

**Gokul Maheshwari:** And what is the estimated CAPEX for this year FY23 and also for FY24?

**Venkat Jasti:** As you know, we have taken a in-principle on approval of about Rs.600 crore altogether. Out of that it's the only one that is we are using Rs.200 crore towards the Suryapet facility, I mean, new building creation, which is the main thing that is going on. Half of it is spent. Half of it is being spent within the next six months. And we hope that second quarter onwards we start. It will be the first quarter, but it is delayed by a couple of months. So, it will be the second quarter onwards we will have the validation taking place, and that will be utilized. The rest of the CAPEX is for the CRAMS when change of the R&D location whenever the government asks, as you know. That is why we are taking proactively in-principle approval. So, that is not going to happen now because no indication is given based on the things that are going on politically, it may not happen within the next one year because the elections will be coming in. The other one is the Pashamylaram site. As of now we are qualifying the Vizag site and the Pashamylaram sites for any new projects also. Right now, we are okay, and as and when it requires based on the pipeline and the progress and requirement, so then we can start the activity. Right now, it may not be until maybe six to nine months, we will not be able to, we will not be starting that activity, that third portion of the phase. Other than that, you know, we have a regular CAPEX of which is the balancing equipment because it's a mix and match thing which we do all the time multi-products. About Rs. 60 to 80 crore every year we will be dealing replacement CAPEX all the balance needed and CAPEX. That will be a continuous process.

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

**Tushar Manudhane:** Sir, firstly on, now that over a period of time and given the kind of CRAMS traction there has been, so basis your experience, if you could share in terms of what kind of technology platforms or chemistries presets that has been little or rather unique or differentiated to Suven which sort of drives the business in the CRAMS segment in particular?

**Venkat Jasti:** I would not say the technology platform that differentiates us. It is the focus with which we work with the innovator products is the one that defines because knowing fully well the first flow is supplied, maybe the last flow is supplied in the fee-based we can see. That is keeping us the same. Other than that, the technology anybody has it, but the focus is going mainly on the generic side and backward integrating into some kind of a brand. Ours is more or less than the 90% to 95% is the fee-based activity, and we do the leverage under the generics side a little bit. So, you cannot say the technology, but as for the chemistries are concerned, we expect the coordination and postulation since we do many number of projects, we have done about 980 projects so far from since the inception, we have been dabbled into each and every chemistry. I think gram level to kilo level to multi tons level.

**Tushar Manudhane:** Also, if you could break down the, let's say, gross block into CDMO pharma and CDMO specialty chemicals?



**Venkatraman Sunder:** Abdul, I will provide you the information. Right now I do not have this

**Moderator:** The next question is from the line of Pratik Kothari from Unique Portfolio Managers.

**Pratik Kothari:** Sir, just one clarification. This fourth molecule in chemical that we expect to come in, so this is already commercialized in the past, right, and that had been asked us for a supply mixture. It was not the new molecule.

**Venkat Jasti:** Which one is that?

**Pratik Kothari:** The fourth molecule which you mentioned.

**Venkat Jasti:** No, no, it is a brand-new one whenever supplied. We have only qualified our samples. And it is dated sometime in the calendar 2024.

**Pratik Kothari:** And sir, regarding this new capacity, you mentioned that we will only start to think about it six, nine months down the line. And also, we say that there is a lot of customer demand, the China Plus One of the whole supply chain retail. So, usually, how long does it take for us to put up a new capacity this year?

**Venkat Jasti:** For everybody's information, compared to any other generic molecule creation of a capacity is a kind of what you call predetermined. In our case, what happened is when the molecule is getting stabilized and when the opportunity is coming in, by the time the peak requirements comes, it takes three years. So, what I am saying in the beginning we do what you call the campaign-based activity, but we will be knowing that it will come back. So, based on that we put it. If it is only making it with the balancing equipment, it takes six months. If I need to create a total block, then it takes 18 months. So, most of the time we do not create the block itself, but when we create the block, it will be a multipurpose thing. But it will be more or less what happens if I am doing a campaign now, I want to continue the campaign. Then I may need to use a couple of balancing equipments to use the underutilized capacity to put to the need in new product. For that it will take three to four months only and the balancing will be taken. So, it's all like I said, luckily for us in this business model, the time will be known, but the time is at least two years to three years. So, we can certainly create the capacity to do that.

Secondly, we also can do the early-stage steps in some other units. Suppose they want more quantity. That is for whatever reason we have done that earlier, and we will never have any problem, because most of the time ours is the campaign-based activity except for the specialty chemicals. So, even though we have, we say 100% capacity utilization, it is only 70%, because not all of the equipment can be utilized. So, the 30% can be using the balancing equipment, I can put more products. So, we will never have a shortage for capacity, but at the same time when the new capacity is required, we have enough and ample time to do it, and we have the backups in the other units also. Based on the customer's request, we can do that also in early-stage chemistry. So, this is the way it works.

**Pratik Kothari:** Sir, last request. In the last call you have mentioned we might get the management of Advent on the call and maybe just hear from them as well. Maybe on the next Concall we can do that.

**Venkat Jasti:** Management of the Advent will come only when the transaction takes place, right? Until that time, we are still here.

**Moderator:** The next question is from the line of Rohan Advani from Multi-Act Equity Consultancy.

**Rohan Advani:** Sir, my question is with respect to the proposed merger with the Advent owned entities, are those entities carrying any unutilized capacities that we could potentially use for our CRAMS operations? And does the need for us to do CAPEX gets reduced? Or are those unutilized capacities, if they exist, it cannot be used for our CRAMS business?

**Venkat Jasti:** Let me tell you, it is not wise on my part to guess estimate what is going to happen to the capacity, how much they are utilizing. Until this transaction is over, we are not going to talk anything about the CRAMS platform. Yes, but the general question is yes, certainly, it will be a plus now for anything. Whatever I am using like just before this call I was telling if I need to do additional capacity in other unit, I can do that. Similarly, when that comes in, the same thing can be done, right? But right now we are not going to talk about that. We have clearly given you the statement made by the Advent during the timing of the ceremony that they have an intend to do the merging that platform into Suven so that that can be capacity enhancement will be used, backward integration can be used, frontend can be used and more technologies can be coming in to the picture and more customers will be there. And they have the global reach and they can bring more opportunities also. But that is post thing. Right now we are concentrating what we do, and once that happens, I think then only I can talk anything about it. But not knowing fully their operations, I will not be able to comment on the Advent front.

**Moderator:** The next question is from the line of Hussain Kagzi from Ambit Asset Management.

**Hussain Kagzi:** I wanted to get a sense on when is it that our Pharma molecule is coming up for patent expiry? I guess, the first two molecules that we launched, that were commercialized two to three years back were, the patent was expiring somewhere in 2024, 2025. So, if you could give some idea on that?

**Venkat Jasti:** I mean, the earliest is 2025, but as you know, these Big Pharma, they will have the additional indications will be given, and they will be going for another five years or so. So, I do not see anything until 2028 actually to be going out of our supplies. That is based on the interactions we have with the customers we don't see any, even though it's going out of patience, but it will be three to four years from there only if anything at all there will be a reduction in the revenue out of those things. Otherwise, they will be staying as the same if not more. So, it does not matter. Next two to three years it will not happen, certainly.

**Hussain Kagzi:** And sir, one thing was that you were talking about that now probably you are seeing increased enquiries from customers to shift from China to India and talks happening in that regard. In your assessment, how long does it take for this to happen or probably translate anything into a meaningful opportunity for you or other players? Because I think, see, for example, in a generic you have to go and modify the DMF or the ANDA or something like that? So, in kind of a related to innovator negotiations, suppose they are doing a composition now, so how long will it be that you would anticipate this to reflect into any tangible numbers?

**Venkat Jasti:** Yes. As you rightly said, it is not going to be overnight. Right now it is only the discussions. Based on the discussions, we could gather this is what is going to happen. As you know, by changing the existing molecules itself will take a year to two years and sometimes three years also. Similarly, changing the source from some other clients to here, especially if it is a regulatory doing here, it will

take time. And I know their process. When they say something, it takes at least a year before you see the real tangible with the product. So, in general, once that happens, it will have a win-win situation for both the customer and the partner. And we hope to get those opportunities not only for Suven but all other players in India eventually. That's why it will not be next six months or something like that. But even for the flow of projects, we have only said, we have heard the macro level we are telling, in general, it will happen in the long run, and being a first in the line, we are the first one to start the CRAMS project way back in 1995 when nobody knows what the CRAMS is all about. We thought we would be the best one to get some advantage out of that, that's what I said in addition to the other things.

**Moderator:** Thank you. As there are no further questions, I now hand the conference over to the management for closing comments. Over to you, sir.

**Venkat Jasti:** Thank you everyone for tuning in to this third quarter results and today's results. As you know, our flattish growth as of now, and we expect to end the year with slight positive growth and maintaining the margin. And in the long term with the new opportunities that are coming in, new thinking that is happening in the global pharma outsourcing and the opportunities because of the China Plus One and also opportunity of long-term relationship we have and the existing capacity building that is taking place and also the number of projects what we have in the pipeline and all these things bodes well. But at the same time you will be seeing not only quarter-on-quarter variations, but year-on-year variations also will be there. But in the long run it is a very promising thing, especially in changing the mindset of the global pharma for outsourcing and targeting towards India and being Suven is one of the frontrunner, we like to get the benefit out of it. With this, I thank each and every one and hope to catch up with you during the next Concall. Thank you.

**Please note:** We have edited the language, made minor corrections, without changing much of the content, wherever appropriate, to bring better clarity.