Management Discussion

Sudhir Menon - Executive Director, Finance and Chief Financial Officer, Torrent Pharmaceuticals Limited

Thank you. Good evening, and welcome to quarter two FY '27 earnings call of Torrent Pharma.

Consolidated revenues for quarter two were INR4,979 crores, up by 51%, while operating EBITDA at INR1,666 crores, was up by 54%. Operating EBITDA margin for the quarter stood at 33.5%. During the quarter, R&D spend increased to 4.2% of the revenue compared to 3.5% in the previous quarter. As highlighted in the previous call, following the merger of JB with Torrent Pharma with effect from 8th of July, we had undertaken business level integration during this quarter. And as guided earlier, there was some transient impact from JB business top line performance during the quarter.

During the quarter, the underlying JV business reported revenues of INR1,086 crores which was largely flat year-on-year. JB India branded business grew at 7% for the quarter. International business were down by 7%. Torrent-base business continued its strong growth momentum with revenues growing 18% for the quarter. The base India business with 20% growth continued to outperform IPM, while Brazil revenues were up 38%. On the generic side, U.S. delivered strong 24% growth, while Germany revenues were down by 7%. The overall leverage, that is net debt to EBITDA, now stands at 1.8 times.

I'll now hand over the call to Aman for an update on India business.

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited

Thanks, Sudhir. I'll first talk about the JB integration update. Post the completion of merger in July 2026, we had initiated the next stage of integration activities, which involves merging of divisions and field force in the India business. We believe this has been executed well and as per expectations. Despite the nature of integration activities, the India business of JB delivered robust underlying growth, which provides comfort in the long-term growth prospects of the business post recovery.

JB's international operations saw an impact from, again, the integration around plant network optimization and alignment of manufacturing and policy control systems. This led to postponement of deliveries in some -- in certain markets, and we see a gradual part of recovery in the subsequent quarters. We believe the impact is transient due to onetime nature of integration requirements, which were unavoidable. The objective here was to harmonize Torrent and JB systems, reduce redundancies and enable long-term utilization and gross margin efficiencies. On overall cost synergies, we are tracking well ahead of our plan, which can also be seen from the EBITDA margin during this quarter. Sequentially, the JB business EBITDA margins have improved despite the transient impact on sales.

Moving on to the base business. Torrent India revenues for Q2 were INR2,181 crores, registering a growth of 20% versus the IPM growth of 12% as per the PharmaTrac data set. The high growth was delivered as a result of an overall increase in IPM growth, new launch performance and volume growth acceleration from field force expansion. The Curatio business continued its strong growth trajectory, growing at 34% in Q2 and also in H1, driven by OTC ad spends and field force expansion. We are hopeful that this business should continue with a similar high growth trajectory for the rest of the year. Our combined field force strength at the end of Q2 for Torrent plus JB, the combined entity is now 9,100 in the India business.

On semaglutide, our India franchise recorded Q2 market share of 32% for the oral and injectable

combined as per the PharmaTrac data set. For the oral segment, we continue to maintain more than 90% share within the generic players. In the injectable semaglutide segment following the supply disruption, we were able to onboard a new manufacturing partner and fully restored market supplies by September.

Due to being out of the market for nearly two months, we did see some market share loss, minor market share loss in the injectable space. However, the September month relaunch and sales recovery provide confidence that a large part of this loss should be recovered in the coming months. Our focus during H2 FY '27, will be to continue improving our market share in focused therapies, improving field force productivity in expanded divisions and continuing the scale up of the Curatio business.

I'll now hand over to Mr. Sanjay Gupta for the International business.

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
Thanks, Aman. We will start with the branded and generics market of Brazil. Based on internal sales achieved to constant currency revenues were at BRL236 million, registering a 21% year-on-year growth. IQVIA data shows Q2 market growth at 5.7%, with Torrent growing at 26%. This is aided by the strong performance of our top brand, our recent launches as well as the strong growth in the generics division. In Brazil, Torrent has a rich pipeline of 53 molecules under ANVISA review, and we should be getting -- we expect approval in the next two years.

In the U.S., we registered constant currency revenues of $44 million, up by 13%. Growth is coming from our new launches where we have achieved or exceeded our target market share. In Germany, our business registered a constant currency revenue of EUR26 million, down by 13%. The growth continues to be impacted by the loss of high-value tenders and disruption at third-party suppliers.

With that, I would like to conclude the opening comments and open the call up for questions.

Questions & Answers

Operator
Thank you very much. [Operator Instructions] The first question is from the line of Neha Manpuria from Bank of America. Please go ahead.

Neha Manpuria - Analyst, Bank of America
Yeah. Thanks for taking my question. My first question is on JB. Given the disruption of the impact on growth because of disruption, if you could give us some color in terms of how we should think about the recovery, both in the India business. And also, I think you mentioned some postponement of supplies in certain markets, would that take slightly longer to recover? Just wondering the flat growth that we have seen, should we continue to see similar trends in the near term or we start seeing improvement here?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
Yes. So on the India side, we had guided in the earlier quarter that this would be the kind of impact we estimated. It's been pretty much in line with how Q1 grew at 13%, Q2 is at 7%. So it's more or less still as expected, and we think this will recover gradually quarter-on-quarter from here. So if H1 is at 10% growth for the India branded business, I would expect that H2 should be perhaps higher than that.

On the International front, yes, there are definitely some one-time challenges that we faced, and it was part of the integration that we had taken a call to take these decisions. These are all one-time in nature. So while the actions have been taken, the recovery may take slightly longer in the international business. But overall, we still feel that in H2, the overall JB growth should be double-digit. While India would be higher than double digits, we believe the total JB business growth should recover to double-digit in H2.

Neha Manpuria - Analyst, Bank of America
Okay. That's good to know. And my second question is, you mentioned cost synergies running ahead of expectations. I think our estimate was about INR450 crores. It seems like pretty much half of that is already reflected in margins. Would that be a fair assumption? And given that, Sudhir, is there an upside to our cost synergy number that we are expecting over the next three years?

Sudhir Menon - Executive Director, Finance and Chief Financial Officer, Torrent Pharmaceuticals Limited
So Neha, I think you are right. When you say we are tracking higher than what we had initially guided. And possibly, when you say half of that seems to be getting realized in this year, I think it's fair to assume that. And having said that, we believe most of it could come through by the next year.

Neha Manpuria - Analyst, Bank of America
And therefore, do you see upside from a three year perspective? Can you -- some of the synergies that you were thinking probably will take up later, probably on the revenue side, etc. Does that come forward or revenue synergies will still take some more time outside of the cost?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
No, I would think we'll maintain the current synergy view on INR450 crores. Perhaps next year, if there's a more concrete reason to believe there's further upside, we can comment, say, by Q1, Q2 next year. And revenue synergies will continue to be -- or rather, we believe they should be on track for next year as well on the India business first and followed by the international.

Neha Manpuria - Analyst, Bank of America
Okay. That's helpful. Thank you much, Aman.

Operator
Thank you. Next question is from the line of Damayanti Kerai from HSBC. Please go ahead.

Damayanti Kerai - Analyst, HSBC
Hi. Thank you for the opportunity. My question is again on JB. So you mentioned sequentially, despite the transient impact on the business, it reported higher EBITDA margin. So just wanted to understand what has led that sequential improvement, whether it was more on, say, the gross margin part or it was more on rationalization of other operating expenses? And how should we look at the JB EBITDA margin in the coming quarters? Yeah, that's my first question.

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
I would say a large part of it was driven from the field force merger that has taken place, so the savings are realized now, though the actions were taken from Jan. And of course, after the merger, also there were further steps taken. So it's largely driven from the India field force divisional merger that has been kind of implemented. And also, there has been further improvement in procurement

savings as well, so -- but that's a small part of it, overall sequential improvement. So from Q1 to Q2, the biggest component is the field force savings.

Damayanti Kerai - Analyst, HSBC
Got it. And how should we look at the margin projected for JB in second half of this year?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
I would say it should continue gradual improvement as well from here as well, difficult to give an exact number. But directionally, it's already improved substantially from Q4 last year to Q1 and now from Q1 to Q2, it's been more gradual. So I would expect quarter-on-quarter, this same run rate of improvement can continue maybe for the next two, three quarters.

Damayanti Kerai - Analyst, HSBC
Sure. My second question is clarity on your MR headcount after the merger, so you mentioned 9,100. So whether this is the level which we are looking to maintain or there is some new room to optimize this number further? Where do you like to have your MR count in optimum situation?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
Yes. This year, it will be maintained. So by the end of this financial year, we don't expect any change. We will review this maybe in a couple of months. We expect potentially some expansion may be required in the base business, so say maybe by 500 MRs or so. But we're not fully certain on what the next year's picture looks like, but it could be, say, something between 9,500 to 9,600.

Damayanti Kerai - Analyst, HSBC
Got it. And my last question is on your like overall guidance, which you mentioned, 33.5% kind of number we are doing. And should we assume that there is more room to improve from current level or it will be more steady, considering all the synergies, etc., which will come from the merger?

Sudhir Menon - Executive Director, Finance and Chief Financial Officer, Torrent Pharmaceuticals Limited
So I think there should be a gradual increase in the EBITDA margin. But I think we are not guiding on the number part. But at least definitely, we feel H2 should be higher than 33.5%.

Damayanti Kerai - Analyst, HSBC
Got it. Thank you. That's helpful. I'll get back in the queue.

Operator
Thank you. Next question is from the line of Dr. Kunal Dhamesha from Macquarie Capital. Please go ahead.

Kunal Dhamesha - Analyst, Macquarie Group
Hi. Thank you for taking my question. The first one on the JB EBITDA margin, which we suggested that there will be continued improvement from here as well for the next two, three quarters. So once that is done, would it be fair to say that JB's India business profitability would be very similar to Torrent's India business?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
Yes, that would be fair to assume. Torrent's India-based business versus JB-based business, right? Yeah, that's correct.

Kunal Dhamesha - Analyst, Macquarie Group
Sure, sure. And on JB EBITDA margin this quarter, could you quantify the improvement on a sequential basis?

Sudhir Menon - Executive Director, Finance and Chief Financial Officer, Torrent Pharmaceuticals Limited
So that's something which we are not guiding for.

Kunal Dhamesha - Analyst, Macquarie Group
Okay. So would it be like meaningful, like 100 basis point plus or...

Sudhir Menon - Executive Director, Finance and Chief Financial Officer, Torrent Pharmaceuticals Limited
Yeah, I think there's two data points which I can -- one data point we can give you, right? I mean what we have stated the R&D expenditures versus quarter one has gone up by 0.7%. Quarter one, the EBITDA margin was 33.8% and this time it's 33.5% That's one data point which I would like to give you. Having said, the increase in R&D, which has come in quarter two, we believe it will continue for the rest of the quarter as well.

Kunal Dhamesha - Analyst, Macquarie Group
Sure, sure. Thanks for that. And lastly, on the synergies part. Let's say, cost synergies or initial guidance will be realized by FY '28 is what my understanding is what you commented. If I'm wrong, please correct me. But without quantifying beyond the, let's say, next year, what are some of the levers that you would have identified, which is not part of your INR450 crores guidance?

And secondly, you suggested the revenue synergies part for the next year, so if you could quantify the impact of the revenue synergies and some of those levers?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
So nothing incrementally new in terms of buckets that have been identified for cost synergies, perhaps it's more of a quantum of costs that were estimated before and after where there may be some variation. So that's where we feel it's still premature to comment whether there's any higher scope of cost synergies compared to the INR450 crores number. But directionally, yes, it's been -- we've been able to achieve that much faster. Instead of three years, I think we should be able to get there in two years' time. And any upside to that, I think we'd wait for at least a couple more quarters.

On the revenue synergy side, again, the same view, we believe that the India business once now the large part of the integration is done. So the revenue synergies should start gradually coming through from cross-selling from new territories where JB brands are added to Torrent divisions and so on. These things normally take six to 12 months depending on the brand and the competitive intensity. So I think next year should see a reasonable improvement in the top line growth through revenue synergies. Difficult to quantify at this stage, but if things go as per plan and as we expect them, then I think gradually year-on-year, there should be acceleration in top line growth in the India business.

And on the international side, it will be a slightly longer journey for that to get achieved because product filing takes slightly longer in most markets that we are looking at. So if, say, we're looking at JB territories to add some existing products that we have, those would take, say, two to three years to materialize. So that's why the time lines will be longer.

Kunal Dhamesha - Analyst, Macquarie Group
That's extremely helpful. Thank you, and all the best.

Operator
Thank you. [Operator Instructions] We will take our next question from the line of Bino from Elara Capital. Please go ahead.

Bino Pathiparampil - Analyst, Elara Securities India Private Limited
[Technical Issue] deal that JB Chem has done with Novartis on the ophthalmology franchise which was done, I think, about a couple of years back...

Operator
I'm so sorry to interrupt, Mr. Bino can you repeat your question, please?

Bino Pathiparampil - Analyst, Elara Securities India Private Limited
Hello? Can you hear me well now?

Operator
Yeah, we can hear you now. Please go ahead.

Bino Pathiparampil - Analyst, Elara Securities India Private Limited
Okay. Just a question on your ophthalmology portfolio deal that JB Chem has done with Novartis a couple of years back. Is there any risk to that deal given the changes happening in Novartis India?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
No, the contract has quite been clear. So I doubt there will be that possibility.

Bino Pathiparampil - Analyst, Elara Securities India Private Limited
Okay. And if I remember correctly, there is a second tranche payment of about INR950 crores, INR960 crores that is pending. Would that be due anytime soon?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
That would be in December of this year, yes, that's right.

Bino Pathiparampil - Analyst, Elara Securities India Private Limited
Okay, great. Thank you.

Operator
Thank you. Next question is from the line of Nitin Agarwal from DAM Capital. Please go ahead.

Nitin Agarwal - Analyst, DAM Capital Advisors Limited
Thanks for taking my question. Sir, on the increased R&D spend, any -- and you said this is going to be sustainable from here on at these levels. So any new avenues where we say looking to get larger amounts than before from a priority perspective?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
No, this is in line with what we had shared earlier that we are looking at increasing our filings in the U.S., which are very low single digits right now to maybe high single digits for some years to kind of recover some of the lost time in the last couple of years due to our operational issues. So in that sense, it's more of a temporary spend that would be required for a couple of years, two to three

years. But in percentage spend right now, this quarter is about 4.2% of revenues. We believe that the range should not exceed, say, between 4% to 4.5% even in the following year.

Nitin Agarwal - Analyst, DAM Capital Advisors Limited
Got it. And then secondly, on the export business, Brazil business has done well. Germany still struggled. Any more color that you want to provide us in terms of the outlook for these two markets?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
So Brazil, we are optimistic and we continue to grow double-digit, mid-teens in that range because we have strong momentum from our new launches as well as from our other businesses. So we have four business units in Brazil, cardio and diabetes, CNS, generics and non-retail. So all four business units seem to be doing well. So again, a high level of optimism on Brazil.

On Germany, I would say that we are struggling because there's been quite a lot of factors which have impacted us from supply-related issues to government mandated price decreases which have similarly impacted our non-retail business. So I really cannot give guidance today. Best case, I would say, slight decline in the coming quarters, and eventually some stability after maybe three or four quarters.

Nitin Agarwal - Analyst, DAM Capital Advisors Limited
Okay. And then on the other markets, the ROW market or the non-Brazilian branded market, I mean any broad color on how last three, four quarters, any meaningful changes in the size, scale of business -- in any of these businesses?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
Yeah. So the rest of the world markets for us are examples are Philippines, Mexico, Russia, South Africa now. All these markets are growing high single digits or double digits. So we have -- I mean underlying business is pretty strong in ROW market. So let's say, conservatively, you can take 6% to 9% growth, not JB, total.

Nitin Agarwal - Analyst, DAM Capital Advisors Limited
And then lastly, on any color on the GLP launches -- summer launches in Brazil? I mean, where are we in terms of what the time line -- outlook on approvals and launches?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
So there is one true generic launch in Brazil, which is by a local, very large player. It's been three months since they've launched that they've accelerated the growth of the market. Optimistically, we expect to launch in the next six to nine months.

Nitin Agarwal - Analyst, DAM Capital Advisors Limited
Thank you so much.

Operator
Thank you. Next question is from the line of Saion Mukherjee from Nomura. Please go ahead.

Saion Mukherjee - Analyst, Nomura
Yeah, hi. Thank you for taking my question. Can you sure how large Curatio is now as part of your domestic business because it's been growing pretty rapidly since you've acquired? Can you give some color? And how should we think about the growth here, and all the initiatives going ahead,

please?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
I think this should be now between 7% to 8% of the total base India business without JB. When we acquired it, it was about, I think, 4% to 5% contribution. So the contribution of the Curatio portfolio has increased quite a bit in the last two, three years. And from where things are and the kind of strength that the brands have developed over the last couple of years through the additional marketing impetus, I think it should be possible to sustain high growth for at least a couple of years. It's difficult to say what range, whether 30% growth can be sustain beyond three to five years, that's difficult to say. But definitely, it seems that this is a trend which is -- I mean the demand is real and the trend is likely to continue for the foreseeable future.

Saion Mukherjee - Analyst, Nomura
Great. Thank you. And my other question was on the U.S. We have seen some improvement with new product launches. How do you see the outlook? I think last time you mentioned there are not many large high-value launches. Can you give us an update on that for this year and next year at least? And any comment you would like to make on pricing environment, market dynamics in general?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
So on the second part of your question, no major change in the U.S. market dynamics, it continue as before. We've had a few good launches in the U.S. So we -- and our market share, as we've been consulting with IQVIA are actually above our expectations. So which is why we are showing high rates of growth. The good part is that our filings so far improved in the U.S. Year-to-date, we filed already four products, and we think it can file four to five at least more before the fiscal year ends. So there is optimism in terms of new product launches.

I cannot give you color on the scale of these new launches. It will depend upon the number of competitors when these come to market. But they would keep up the momentum of new product launches, which is the most important factor for U.S. growth. I expect some new competitors on our recent launches in H2. So there would be a pricing pressure increase H2, which is not atypical in the U.S. market, right? So there's always new people coming with existing molecules and this leads to price erosion. But price erosion and accompanied by volume growth and new launches should keep us in the positive territory as far as growth is concerned.

Saion Mukherjee - Analyst, Nomura
Right, sir. Thank you very much.

Operator
Thank you. Next question is from the line of Tushar Manudhane from Motilal Oswal Financial Services Limited. Please go ahead.

Tushar Manudhane - Analyst, Motilal Oswal Financial Services Limited
Thanks for the opportunity. Sir, firstly on semaglutide industry outlook, how do you see the growth in this molecule at industry level?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
So I think it's been stabilized now, the demand levels of generic semaglutide. I think what I recall is that we had estimated a market size of generic sema somewhere around INR800 crores for the first

year. So it seems that it's on track to get there. And then after that, it should be in line with some of the earlier new launches, how they have grown, which is a very high growth in the first couple of years as a market followed by stabilization in, say, third or fourth year if you just take the past reference of, say, sitagliptin, where there is a shift happening from, say, an earlier gen molecule to something new, which is what we expect to happen here as well. So it's, again, still very early to say what the market size may appear to be in five years or four to five years' time, but there's definitely a lot more room for market expansion from here as well.

Tushar Manudhane - Analyst, Motilal Oswal Financial Services Limited
So even if it grows, let's say, by 25%, let's say, next year is like INR1,000 crores and then grow further lowering down. So broadly INR2,000 crores, INR2,500 crores sort of a market as you're expecting over next three to four years. Is that right to understand?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
Yeah, that should be possible. In three to five years, that number is not out of range.

Tushar Manudhane - Analyst, Motilal Oswal Financial Services Limited
Secondly, on the India industry itself, the IPM growth has been on uptrend even if you aside this FDC related base effect of the past year. How do you read this industry growth? And what do you think the growth would be for, let's say, next 12 to 18 months at the industry level?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
Definitely, the H1 this year has been far higher market growth than what we have seen in the couple of preceding years, 12% is the market growth this year so far. We think this market growth is likely to sustain for the rest of the year. And perhaps from next year, it may drop a little bit, say, 1%, 2%, but minimum 10% is what we think should continue from here on as well, at least for the next financial year. This year may be potentially a one-off case, an increase in IPM growth to this extent. But below 10% is, in our view, it's not looking likely at this stage.

Tushar Manudhane - Analyst, Motilal Oswal Financial Services Limited
And this is relatively much better compared to earlier years. So any factors you would need to call out, which would drive this higher growth for the industry?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
I think it's very difficult to pinpoint still. I mean, in our case, there are multiple factors that are also contributing to our growth, like summer launch and field force expansion. So a large part of our growth difference can be explained through those. But what is causing the higher, say, 2%, 3% market delta is still difficult to pinpoint exactly.

Tushar Manudhane - Analyst, Motilal Oswal Financial Services Limited
Okay, okay. Thirdly, just on Brazil, like how much of the growth in the 2Q would have come from new launches and how much from existing brands, that break that growth of 20%?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
Correct. So broadly speaking, it's one-third, one-third, one-third. One-third on price, one-third on volume and one-third on new launches.

Tushar Manudhane - Analyst, Motilal Oswal Financial Services Limited
Got it. And just lastly, any new products that have been launched in the OTC segment and you see

the scale up happening the way you've seen touching there?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
Yeah. There are many brand extensions launched in the OTC space, which are, I would say, a reasonable in size, not very big, but the idea is to launch a multiple of these where we can create a sizable base in two, three years. So those are always part of our new product planning part of the OTC business. Has there been any completely new product launch, with is not an extension, probably not in the last six to eight months. I believe these are spaces where entering completely new is very challenging. So we do keep a lookout for acquisitions wherever possible to bolt on to our OTC platform.

Tushar Manudhane - Analyst, Motilal Oswal Financial Services Limited
Got it. And just lastly, if I may with respect to the marketing expense within India for OTC and for prescription. Any broad breakdown you could give either as a percentage of total spend or absolute?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
Tushar, we don't have the numbers separately.

Tushar Manudhane - Analyst, Motilal Oswal Financial Services Limited
Okay, sir. That's it from my side. Thanks a lot.

Operator
Thank you. Next question is from the line of Niharika Agarwal from Nirmal Bang. Please go ahead.

Niharika Agarwal - Analyst, Nirmal Bang Institutional Equities
Hello. Thank you for the opportunity. So I wanted to understand about the 13% constant currency growth we saw in the U.S. How much of this growth is coming from the products with a durable competitive advantage versus products where the price erosion could accelerate at competition enters?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
Unfortunately, I don't know how to answer that question because in the off-patent business, there's nothing as a durable cooperative advantage. It's really dependent upon the number of competitors and how quickly they come to market. And new customers are very finite, right, because we operate in a retail channel with three customers or four customers accounting for 90% of the market. So new player has to call upon the same customers.

And usually, the way to penetrate is to offer a better price. Hence, I would say that I'm not sure how to tell you whatever durable competitive advantage generic product in the U.S. However, that said, we are constantly working on improving our costs, and that is one way in which we are able to maintain a base business. And our base business generally has been flat. The growth is coming from new products. But our base business, the price and the volume, etc., kind of neutralize each other. And I would say it's a decent result for mature products.

Niharika Agarwal - Analyst, Nirmal Bang Institutional Equities
So could we see this growth rate sustaining going forward? Or as the launches normalize, we'll see some moderation?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
So we have new launches planned. But again, when we forecast new launches, revenue, we build scenarios based on the number of competitors, and then honestly, before we launch, we are not 100% sure as how many people show up at the at the opening. What I said earlier in the call is that we so far year-to-date already filed four products in the U.S. And then we think we can file actually four to five more for the remaining of this fiscal year. These. Let's say, nine, 10 products would be higher than what we have filed in each of the several previous years. And this kind of gives me a positive optimism for future growth.

Niharika Agarwal - Analyst, Nirmal Bang Institutional Equities
Okay. Thank you. And then just one quick question on sema. So as the competition is increasing, what matters more for your economics, like will we focus more towards defending our market share or will we focus on maintaining realization per patient? And then on the share as well, like can we expect to sustain the share even as profitability per unit declines?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
So this is about the India business. So we've launched sema only in India so far. And our objective would be to endeavor to expand the market as much as possible. So that would also mean that we would need to defend our share at the same time, so -- and I think we're seeing good traction there on that front in the last couple of months. I don't think there will be any change in pricing per patient or pricing per product because these are all branded businesses. So there's no real price erosion in that sense. And in fact, the price would only be stable or gradually increase over the next couple of years.

Niharika Agarwal - Analyst, Nirmal Bang Institutional Equities
Okay. Thank you. And then just one last question on the Brazil business. So we have approximately 53 products, right, that are awaiting ANVISA approval. So how meaningful could these launches be to growth over the next two years per se? And what kind of growth can we expect for this geography? Any rough number?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
Yeah. I think we have said that it should be at least superior to 10%, closer to 15% growth in the coming years.

Niharika Agarwal - Analyst, Nirmal Bang Institutional Equities
Okay. And what is the key constraint for this geography? Would you say approval time lines or commercial execution? Like what is the key challenge over here?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
I would say both because approval time lines with ANVISA are taking at least two years, so that's a long access. And then in terms of commercial challenges, of course, we are competing with at least a very strong, local company who are entrenched in the Brazilian market with a much larger field force footprint than we have. And there also has started to be a trend in the last two, three years about price competition which was historically quite benign, but it has become much more, I would say aggressive and competitive in the last two, three years.

Niharika Agarwal - Analyst, Nirmal Bang Institutional Equities
Okay. Makes sense. Thank you. Thank you for giving me the opportunity. This is all for me.

Operator
Thank you. Next question is from the line of Madhav Marda from MLP. Please go ahead.

Madhav Marda - Analyst, Millennium Law Partners
Hi. Good evening. I just had one question, for our combined business including India foreign base business and JB Chemicals, could you give any outlook on the EBITDA margin over the next maybe two to three years? Given JB has your formulary portfolio savings, etc., lined up. So if you could just share on the base business and including JB now that we've acquired. Thank you.

Sudhir Menon - Executive Director, Finance and Chief Financial Officer, Torrent Pharmaceuticals Limited
So as a policy, we don't share geography-wise EBITDA.

Madhav Marda - Analyst, Millennium Law Partners
No, just combined business, any outlook on the EBITDA margins from 33.5%. How that could track over the next two, three years?

Sudhir Menon - Executive Director, Finance and Chief Financial Officer, Torrent Pharmaceuticals Limited
That's what I called out earlier that quarter two, 33.5%. For the rest of the two quarters, it can improve a little bit for this year.

Madhav Marda - Analyst, Millennium Law Partners
Okay, okay. And FY '28 and '29, is there any outlook? Do we see any investment measures lined up?

Sudhir Menon - Executive Director, Finance and Chief Financial Officer, Torrent Pharmaceuticals Limited
So we're not giving any guidance by FY '28. We are just waiting for the full year base to come in and then probably next year, quarter one, we'll guide you.

Madhav Marda - Analyst, Millennium Law Partners
Got it. Okay. Thank you.

Operator
Thank you. Next question is from the line of Dr. Kunal Dhamesha from Macquarie Capital. Please go ahead.

Kunal Dhamesha - Analyst, Macquarie Group
Hi. Thank you for the follow-up. On JB's international business disruption, could you localize in which segment the disruption was maximum? Was it ROW? Was it U.S.? Was it CDMO?

Sanjay Gupta - Executive Director, International Business, Torrent Pharmaceuticals Limited
So JB International business, I would say the disruption, if I was to say it was across the board because it were linked to issues, which are not particular clear to any one geography. So it was linked to issues like software integration, accounting integration, change -- merger of the companies change your processes. And then you will also recall, we had some quality issues linked to one product in the U.S. for which we had a recall. So it was -- I would say, outside of the U.S. recall, it was generalized across geographies. So I won't point the finger towards one more than the other. We're talking about back-office issues. We are not talking about front office customer-facing

issues.

Kunal Dhamesha - Analyst, Macquarie Group
Sure, sure. Thank you. And second question on you've given out the -- some outlook on Indian pharma market that the strong growth would continue. But what has caused the sudden spike, let's say, if I look at GLP-1s, I think the impact would be probably not be more than 100 basis points in terms of growth acceleration, right? So is it a shift from market share shift happening some of the smaller companies, which were earlier operating, they are not operating anymore or the focus from other players on trade generic has gone down or generics will be the next friction. What is driving the sudden spike?

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
That's exactly the question that was asked earlier, but we are not too sure on how to pinpoint or break up the spike in IPM growth by, say, this 2%, 3% difference in this year. It could be a factor of all of these, as you mentioned, but one indication at least that we have is that our trade generic business has not really slowed down materially. So our business is pretty small right now. But if that was some indication, we would have got a sense through that.

So it's not really the trade generic that's slowing down and shifting to brands either. It seems that both segments are growing. But again, because of so many factors at play, it's difficult to pinpoint. What we did mention is that we believe perhaps it may not be able to continue next year. But certainly, our view is that it should not go below double digits, the IPM growth.

Kunal Dhamesha - Analyst, Macquarie Group
Sure. Thank you, and all the best.

Operator
Thank you. Ladies and gentlemen, as there are no further questions from the participants, I would now like to hand it back to the management for closing comments.

Aman Mehta - Managing Director, Torrent Pharmaceuticals Limited
Thank you for participating today. With that, we conclude today's call. Thank you.

Operator
[Operator Closing Remarks]