March 06, 2023

Sun Pharmaceutical Industries Limited: Ratings reaffirmed/assigned; withdrawn for Proposed Borrowing Programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Commercial Paper Programme	4,000.0	4,000.0	[ICRA]A1+; reaffirmed
Short-term, Fund-based / Non-fund Based Limits	7,000.0	-	-
Long-term / Short-term, Fund-based / Non-fund Based Limits	0.0	5,000.0	[ICRA]AAA (Stable); assigned [ICRA]A1+; reaffirmed
Long-term / Short-term, Proposed Borrowing Programme	2,000.0	-	[ICRA]AAA (Stable) / [ICRA]A1+; reaffirmed and withdrawn
Total	**13,000.0**	**9,000.0**	

**Instrument details are provided in Annexure-I*

Rationale

The rating reaffirmation for Sun Pharmaceutical Industries Limited (SPIL) factors in its strong credit profile, which is expected to be sustained in the near to medium term aided by the company's increasing focus on strengthening its speciality business across key markets, especially in the US. The rating considers SPIL's strong business position in the Indian pharmaceutical market (IPM) as well as its strong cash flow generation. Relative to the industry, SPIL exhibited strong operating performance in 9M FY2023 with revenue of Rs. 32,553.3 crore, translating into 12.1% YoY growth, which has been broad based across all key markets. Growth across business segments was led by traction in chronic and sub-chronic segments, and healthy performance of speciality products (YoY growth of 42.3% in FY2022 and 28.5% in 9M FY2023), which now contributes approximately 16% to the consolidated turnover.

While SPIL's speciality business has been growing at a healthy pace, ICRA notes the weakened performance of Taro Pharmaceuticals Industries Limited (Taro)[1] in 9M FY2023 due to continued, high competitive intensity in the US generics space and expenses associated with the consolidation of the Alchemee business. Adjusted for Taro's business in the US, the company has performed relatively better, which coupled with healthy performance of the speciality business has driven the 18.4% YoY growth in the US formulations business over the same period. Despite headwinds pertaining to macro-economic uncertainties, volatility in raw material prices and genericisation of 'Istamed' and 'Istavel' from SPIL's anti-diabetics portfolio leading to some moderation in growth in the domestic market in 9M FY2023, the company has sustained its operating profit margin (OPM) at 27.1% in 9M FY2023, aided by its strong market position in key markets, change in product mix and healthy scale up of speciality products revenue. The ratings continue to derive comfort from SPIL's strong business profile, its geographically diversified revenue-mix and leadership position in the IPM, well-established presence in the US market and growing presence in emerging markets.

ICRA has also noted the definitive agreement between SPIL and Concert Pharmaceuticals Inc. (Concert) to acquire all its outstanding shares for a consideration of ~$576 million ($8 per share). This transaction is expected to be completed in Q4 FY2023, contingent upon the successful closure of the tender offer and requisite regulatory approvals. Concert is a late-stage biotechnology company pioneering the use of deuterium in medicinal chemistry. It has an extensive patent portfolio, including its lead product, 'deuruxolitinib', used for treating Alopecia Areata, an autoimmune dermatological disease. Having concluded Phase-III clinical trials, deuruxolitinib is a late-stage product and Concert plans to submit a New Drug Application (NDA) in H1

[1] *Taro is a 77% subsidiary of SPIL, based in Israel.*

CY2023 to the US Food and Drug Administration (USFDA) for its approval. Once launched, this drug will augment SPIL's speciality product portfolio and support future growth. Also, as part of the agreement, Concert's shareholders will receive a non-tradeable contingent value right (CVR) entitling it to receive up to an additional $3.5 per share, payable upon the drug achieving certain net sales milestones within specified periods. Though funding plans are yet to be ascertained, ICRA expects this acquisition to be funded through a mix of debt and internal accruals. While this is likely to result in some increase in SPIL's gross debt levels over the near term, its financial profile is expected to remain robust on the back of healthy accrual generation, no major additional debt-funded capex plans and strong liquidity position (including investments—current and non-current) of ~$2.3 billion (on a consolidated basis) as on September 30, 2022.

SPIL has made significant investments in the speciality products business in recent years, which are expected to continue over the near to medium term. SPIL's ability to generate commensurate returns on the same will be key in sustaining the company's return indicators over the medium term. In addition, the company's operations remain exposed to regulatory risks and foreign currency fluctuations. ICRA notes the ongoing litigations, and any adverse impact of the same on SPIL's business operations and financials would be a key rating sensitivity. Further, the company's Halol (Gujarat) facility has been recently placed under import alert by the USFDA. This facility currently contributes around 3% to the company's consolidated revenues and SPIL is evaluating various alternatives to ensure no material adverse impact on its exports to the US. However, in case of delayed resolution of import alert, its impact on the company's US business and profitability will remain a key monitorable. Also, any large inorganic investment by the company would remain an event risk, and the impact of such investments on its business and credit profiles would be monitored on a case-by-case basis.

The Stable outlook on SPIL's long-term rating reflects ICRA's opinion that the company will maintain its healthy credit profile and strong liquidity position, supported by strong cash accrual generation, with leading market position in key markets and steady scale up in its speciality products business.

The [ICRA]AAA (Stable)/[ICRA]A1+ rating on the company's Rs. 2,000.0 crore proposed borrowing programme has been withdrawn based on confirmation from SPLL that there is no amount outstanding against the rated instrument and is in accordance with ICRA's policy on withdrawal. This has been done at the request of the company.

Key rating drivers and their description

Credit strengths

Leadership position in branded pharma market in India, well-established presence in US generics market and diversified footprint across fast-growing emerging markets – SPIL has a presence in the emerging and developed generic pharmaceutical markets, with the US accounting for 31% of its total sales in 9M FY2023. It has a well-established presence in the US generics market and ranks ninth in terms of generic sales in the US. Over the years, the company has augmented its presence in the US market through concerted efforts to grow its speciality business, which now contributes 16% to the consolidated turnover. This has helped the company mitigate the continuing pricing pressure in the generics business in the US, while maintaining superior profitability margins. Besides strong presence in the US, the company commands a leadership position in the branded pharmaceutical industry in India (accounted for 31% of its revenues in 9M FY2023), with a market share of 8.5% (as per AIOCD-AWACS December 2022). The company's market share in India is aided by its leading position in the high growth chronic segment, strong positioning in the acute segment, and its diversified therapeutic coverage and specialisation in technically complex products. Moreover, 32 of the company's brands feature among the top 300 pharmaceutical brands in India (as per AIOCD AWACS data).

Increasing contribution from the speciality portfolio expected to support growth in revenue and margins – The speciality portfolio of SPIL has grown at a CAGR of 25.2% between FY2020 and FY2022 with a 28.5% growth in 9M FY2023 aided by strong performance of key speciality drugs like Ilumya, Winlevi and Cequa. Further, SPIL launched Sezaby in January 2023, which is the first and only approved drug for treating seizures in neonatal patients. The share of SPIL's revenues from speciality products has increased from ~8% in Q1 FY2020 to 16% in Q3 FY2023 and is expected to continue to increase, going forward, supported by growing sales of existing products and a robust speciality pipeline, which shall support the growth in revenue and margins over the long-term.

Integrated presence across value chain – SPIL has a strong and well-diversified business model supported by its generic and speciality businesses (with the US being its key market), its branded formulations business (in India and emerging markets), and backward integration into active pharmaceutical ingredients (APIs). The company has the benefit of being vertically integrated for a reasonable portion of its formulations business.

Strong financial profile characterised by healthy profitability indicators, robust credit metrics and strong liquidity – SPIL continues to maintain a robust financial profile, as evidenced by its continued strong liquidity and robust debt coverage indicators. It registered a 12.1% YoY growth in revenues in 9M FY2023 supported by strong performance of the speciality portfolio, traction in the chronic and sub-chronic therapies in the domestic market and continued growth in the emerging markets. SPIL registered OPM of 27.1% in 9M FY2023 compared to 26.9% in FY2022. It is expected to sustain the growth momentum and profitability aided by broad based growth across key markets, change in product mix and healthy scale up of speciality products revenue.

Despite an increase in total debt (including lease liability) to Rs. 4,365.5 crore as on September 30, 2022 from Rs. 1,290.3 crore as on March 31, 2022, the debt coverage indicators remain robust as characterised by total debt/ OPBDITA of 0.4 time and interest coverage of 179.5 times as on September 30, 2022. While funding plans for the acquisition of Concert are yet to be ascertained, the credit profile of SPIL is expected to remain robust even if the acquisition is funded by a mix of debt and internal accruals, supported by healthy accrual generation, no major additional debt-funded capex plans and a strong liquidity position.

Strong R&D pipeline and focused approach towards development of complex molecules with limited competition – SPIL has made significant investments in developing a portfolio of niche and complex molecules for the US market, which is supported by its strong R&D capabilities. As on December 31, 2022, SPIL had 96 ANDAs (including 28 tentative approvals) and 13 NDAs pending approval from the USFDA. In addition, SPIL has a portfolio of 11 key speciality products in therapies, including dermatology, oncology and ophthalmology. The company is looking to augment its speciality product pipeline by entering into new geographies and bringing more products/indications under its coverage.

Credit challenges

Base US pharmaceutical generics business remains competitive; regular product introductions expected to mitigate risk to an extent – The US generics market remains competitive due to continued faster pace of ANDA approvals, with pricing pressures varying across product categories. ICRA notes the weakened performance of Taro in 9M FY2023 due to continued high competitive intensity in the US generics business and expenses associated with consolidation of the Alchemee business. However, SPIL's ex-Taro business in US has performed better, driving the 18.4% YoY growth in the US formulations business in 9M FY2023, aided by better performance of speciality products, new product launches and better supply chain management. ICRA notes the import alert on SPIL's Halol (Gujarat) facility, which contributed ~3% to its overall sales and the official action indicated (OAI) classification of its Mohali (Punjab) plant, which can impact the new product launches for the US market. SPIL's ability to continue to launch new products in the US market and ramp up of speciality products remains key for the growth of the US business.

Ongoing litigations, regulatory non-compliances at some manufacturing facilities as well as exposure to regulatory risks – SPIL's Halol plant was put under import alert by USFDA in December 2022, while its Mohali plant has been classified as OAI in November 2022. Further, the Karkhadi, Taonsa, Paonta Sahib and Dewas facilities continue to be subjected to certain provisions of the consent decree of permanent injunction. SPIL faces ongoing product litigations and industry-wide investigation by the US DOJ. Any adverse outcome of the same on the company's credit profile is a key rating sensitivity. The operations of the company also remain exposed to regulatory risks from greater scrutiny by regulatory agencies, including the USFDA.

Vulnerability of profitability to forex fluctuations – The company's profitability remains vulnerable to forex fluctuations on account of its foreign operations as well as foreign currency borrowings. However, SPIL hedges the same through both derivative and non-derivative financial instruments, such as foreign exchange forward contracts, option contracts and currency swap contracts.

Environmental and Social Risks

Environmental concerns – SPIL does not face any major physical climate risk. However, it remains exposed to tightening environmental regulations with regard to breach of the waste and pollution norms, which can lead to an increase in operating costs and new capacity instalment costs. This can also require capital investments to upgrade its effluent treatment infrastructure to reduce the carbon footprint and waste generation. However, SPIL has constantly been making efforts to minimise the impact of environmental risks on its operations. Most of the company's manufacturing facilities are zero liquid discharge facilities. SPIL remains focused on climate change and sustainability and has set targets for reducing carbon emissions by 35% by 2030 (Scopes 1 and 2 for emissions), reducing water consumption by 10% by 2025 and disposing 30% of hazardous waste through co-processing by 2025.

Social considerations – SPIL faces high industry-wide social risks related to product safety and its associated litigation risks, access to qualified personnel for R&D and process engineering, and maintenance of high manufacturing compliance standards. In the past, the company had created provisions/paid settlement charges for product related litigations. Further, Government intervention related to price caps/control also remains a social risk faced by entities in the pharmaceutical industry.

Liquidity position: Strong

SPIL's liquidity position is **strong** supported by healthy internal accrual generation and net cash (including investments—current and non-current) of $1.7 billion (~Rs. 13,976.1 crore) as on September 30, 2022. SPIL has maintained its track record of generating strong operating cash flows driven by its strong business profile. The company continues to maintain its net cash surplus position. The liquidity is further supported by its unutilised fund-based bank facilities of ~Rs. 3,600.0 crore (at standalone level). Against this, the annual long-term debt repayments are to the tune of ~Rs. 229.9 crore in FY2024. Moreover, the company has entered into an agreement to acquire Concert for $576 billion and the transaction is expected to be completed in Q4 FY2023. ICRA expects the transaction to be funded by a mix of debt and internal accruals. However, the liquidity position of SPIL is expected to remain strong.

ICRA notes that ~$1.2 billion out of the cash/bank balance and investments are housed under Taro, which cannot be easily up-streamed. Nonetheless, liquidity at the standalone level remains adequately supported by healthy internal accrual generation, free cash and unutilised bank lines.

Rating sensitivities

Positive factors – NA

Negative factors – Negative pressure on the rating could emerge if there is any significant weakening in the company's profitability, thereby adversely impacting its credit profile. Delays in resolution of existing regulatory non-compliances or any other regulatory non-compliance issued to SPIL for its products and/or manufacturing facilities, thereby impacting its product launches and, thus, revenues and profitability would also be a negative rating trigger. Large debt-funded inorganic investments by the company or any adverse outcome of ongoing litigations/lawsuits would remain an event risk, and the impact of such events on the company's business and credit profile and liquidity position would be monitored on a case-by-case basis.

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Rating Methodology for Entities in the Pharmaceutical Industry Policy On Withdrawal of Credit Ratings
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of SPIL. As on March 31, 2022, the company had 86 subsidiaries, one joint venture, and 19 associates, which are enlisted in Annexure-2.

About the company

SPIL is a leading Indian pharmaceutical company involved in developing, manufacturing and marketing formulations and APIs. Its business is broadly categorised into five segments—India branded generics, US formulations (generics and speciality branded products), emerging markets (branded generics), rest of the world (RoW) business, and APIs. The company has a strong branded generics business in India, which accounted for ~31% of its consolidated revenues in 9M FY2023. Along with Ranbaxy Laboratories Limited (acquired in March 2015 in an all-stock transaction of $4.1 billion), SPIL has a market leadership in 12 different doctor categories in the domestic formulations market, with 32 brands in the list of top 300 brands for 2022.

The company had 43 manufacturing facilities across India, North America, Asia, Africa and Europe as on December 31, 2022. Many of the plants have received approvals from the USFDA, UK MHRA and many other international regulatory authorities.

Key financial indicators (audited)

SPIL - Consolidated	FY2021	FY2022	9M FY2023*
Operating income	33,548.8	38,831.4	32,955.0
PAT	2,284.7	3,405.8	6,544.1
OPBDIT/OI	25.4%	26.9%	27.1%
PAT/OI	6.8%	8.8%	19.9%
Total outside liabilities/Tangible net worth (times)	0.3	0.3	-
Total debt/OPBDIT (times)	0.5	0.1	-
Interest coverage (times)	60.4	82.1	112.8

**Published 9M FY2023 results; Note: PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs crore*

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Current rating (FY2023)				Chronology of rating history for the past 3 years			
		Type	Amount rated (Rs. crore)	Amount outstanding as of Feb 28, 2023 (Rs. crore)	Date & rating in FY2023	Date & rating in FY2022	Date & rating in FY2021		Date & rating in FY2020
					March 6, 2023	Mar 31, 2022	Mar 19, 2021	July 29, 2020	Feb 27, 2020
1	**Commercial Paper Programme**	Short-term	4,000.0	-*	**[ICRA]A1+**	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
2	**Fund-based / Non-fund Based Limits**	Short-term	-	-	**-**	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
3	**Fund-based / Non-fund Based Limits**	Long-term/ Short-term	5,000.0	-	**[ICRA]AAA (Stable)/ [ICRA]A1+**	-	-	-	-
4	**Proposed Borrowing Programme**	Long-term / Short-term	2,000.0	-	**[ICRA]AAA (Stable)/ [ICRA]A1+; Withdrawn**	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+	[ICRA]AAA (Stable)/ [ICRA]A1+

**as on February 28, 2023 ^long-term rating assigned*

Complexity level of the rated instruments

Instrument	Complexity Indicator
Commercial Paper Programme	Very Simple
Long-term / Short-term, Fund-based / Non-fund Based Limits	Simple
Long-term / Short-term, Proposed Borrowing Programme	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA’s website: Click Here

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Commercial Paper*	Yet to be placed			4,000.0	[ICRA]A1+
-	Fund-based / Non-fund Based Limits	-	-	-	5,000.0	[ICRA]AAA (Stable)/ [ICRA]A1+
-	Proposed Borrowing Programme	-	-	-	2,000.0	[ICRA]AAA (Stable) / [ICRA]A1+; Withdrawn

*Source: Company * as on February 28, 2023*

[*Please click here to view details of lender-wise facilities rated by ICRA*]

Annexure II: List of entities considered for consolidated analysis

Company Name	SIPL Ownership	Consolidation Approach
Direct Subsidiaries		
Green Eco Development Centre Limited	100%	Full Consolidation
Sun Pharmaceutical (Bangladesh) Limited	72.50%	Full Consolidation
Sun Pharma De Mexico S.A. DE C.V.	75.00%	Full Consolidation
Sun Pharma Japan Limited	100%	Full Consolidation
OOO “Sun Pharmaceutical Industries” Limited	100%	Full Consolidation
Sun Pharma De Venezuela, C.A.	100%	Full Consolidation
Sun Pharma Laboratories Limited	100%	Full Consolidation
Faststone Mercantile Company Private Limited	100%	Full Consolidation
Neetnav Real Estate Private Limited	100%	Full Consolidation
Realstone Multitrade Private Limited	100%	Full Consolidation
Skisen Labs Private Limited	100%	Full Consolidation
Sun Pharma Holdings	100%	Full Consolidation
Softdeal Pharmaceuticals Private Limited (Formerly Softdeal Trading Company Private Limited)	100%	Full Consolidation
Sun Pharma (Netherlands) B.V.	100%	Full Consolidation
Foundation for Disease Elimination and Control of India	100%	Full Consolidation
Zenotech Laboratories Limited	100%	Full Consolidation
Indirect Subsidiaries		
Sun Farmaceutica do Brasil Ltda.	100%	Full Consolidation
Sun Pharma France (Formerly Known as Ranbaxy Pharmacie Generiques)	100%	Full Consolidation
Sun Pharmaceutical Industries, Inc.	100%	Full Consolidation
Ranbaxy (Malaysia) SDN. BHD.	95.67%	Full Consolidation
Ranbaxy Nigeria Limited	86.16%	Full Consolidation
Chattem Chemicals Inc.	100%	Full Consolidation

Company Name	SIPL Ownership	Consolidation Approach
The Taro Development Corporation	100%	Full Consolidation
Alkaloida Chemical Company Zrt.	99.99%	Full Consolidation
Sun Pharmaceutical Industries (Australia) Pty Limited	100%	Full Consolidation
Aditya Acquisition Company Ltd.	100%	Full Consolidation
Sun Pharmaceutical Industries (Europe) B.V.	100%	Full Consolidation
Sun Pharmaceuticals Germany GmbH	100%	Full Consolidation
Sun Pharmaceuticals SA (Pty) Ltd	100%	Full Consolidation
Sun Pharma Philippines, Inc.	100%	Full Consolidation
Caraco Pharmaceuticals Private Limited	100%	Full Consolidation
Sun Pharmaceutical Peru S.A.C.	100%	Full Consolidation
Sun Laboratories FZE	100%	Full Consolidation
Taro Pharmaceutical Industries Ltd. (Taro)	77.78%	Full Consolidation
Taro Pharmaceuticals Inc.	77.78%	Full Consolidation
Taro Pharmaceuticals U.S.A., Inc.	77.78%	Full Consolidation
Taro Pharmaceuticals North America, Inc.	77.78%	Full Consolidation
Taro Pharmaceuticals Europe B.V.	77.78%	Full Consolidation
Taro International Ltd.	77.78%	Full Consolidation
3 Skyline LLC	77.78%	Full Consolidation
One Commerce Drive LLC	77.78%	Full Consolidation
Taro Pharmaceutical Laboratories Inc.	77.78%	Full Consolidation
Dusa Pharmaceuticals, Inc.	100%	Full Consolidation
2 Independence Way LLC	100%	Full Consolidation
Universal Enterprises Private Limited	100%	Full Consolidation
Sun Pharma Switzerland Ltd.	100%	Full Consolidation
Sun Pharma East Africa Limited	100%	Full Consolidation
PI Real Estate Ventures, LLC	100%	Full Consolidation
Sun Pharma ANZ Pty Ltd	100%	Full Consolidation
Ranbaxy Farmaceutica Ltda.	100%	Full Consolidation
Sun Pharma Canada Inc.	100%	Full Consolidation
Sun Pharma Egypt Limited LLC	100%	Full Consolidation
Rexcel Egypt LLC	100%	Full Consolidation
Basics GmbH	100%	Full Consolidation
Sun Pharma Italia srl (Formerly Ranbaxy Italia S.P.A.)	100%	Full Consolidation
Sun Pharmaceutical Industries S.A.C.	100%	Full Consolidation
Ranbaxy (Poland) SP. Z O.O.	100%	Full Consolidation
Terapia SA	96.81%	Full Consolidation
AO Ranbaxy	100%	Full Consolidation
Ranbaxy South Africa (Pty) Ltd	100%	Full Consolidation
Ranbaxy Pharmaceuticals (Pty) Ltd	100%	Full Consolidation
Sonke Pharmaceuticals Proprietary Limited	70%	Full Consolidation

Company Name	SIPL Ownership	Consolidation Approach
Sun Pharma Laboratorios,S.L.U. (Formerly known as Laboratorios Ranbaxy, S.L.U.)	100%	Full Consolidation
Ranbaxy (U.K.) Limited	100%	Full Consolidation
Ranbaxy Holdings (U.K.) Limited	100%	Full Consolidation
Ranbaxy Inc.	100%	Full Consolidation
Ranbaxy (Thailand) Co., Ltd.	100%	Full Consolidation
Ohm Laboratories, Inc.	100%	Full Consolidation
Ranbaxy Signature LLC	67.5%	Full Consolidation
Sun Pharmaceuticals Morocco LLC	100%	Full Consolidation
“Ranbaxy Pharmaceuticals Ukraine” LLC	100%	Full Consolidation
Sun Pharmaceutical Medicare Limited	100%	Full Consolidation
JSC Biosintez	100%	Full Consolidation
Sun Pharmaceuticals Holdings USA, Inc.	100%	Full Consolidation
Zenotech Inc	57.56%	Full Consolidation
Zenotech Farmaceutica Do BrasilLtda	38.21%	Full Consolidation
Sun Pharma Distributors Limited	100%	Full Consolidation
Realstone Infra Limited	100%	Full Consolidation
Sun Pharmaceuticals (EZ) Limited	99.99%	Full Consolidation
Sun Pharma (Shanghai) Limited	100%	Full Consolidation
Sun Pharma Japan Technical Operations Limited	100%	Full Consolidation
Alchemee, LLC	78.48%	Full Consolidation
The Proactiv Company Holdings, Inc. (Formerly known as Galderma Holdings, Inc.)	78.48%	Full Consolidation
Proactiv YK	78.48%	Full Consolidation
The Proactiv Company KK	78.48%	Full Consolidation
The Proactiv Company Corporation	78.48%	Full Consolidation
Joint Venture Entities		
Artes Biotechnology GmbH	45%	Equity Method
Associates		
Medinstill LLC	19.99%	Equity Method
Generic Solar Power LLP	28.76%	Equity Method
Trumpcard Advisors and Finvest LLP	40.61%	Equity Method
Tarsier Pharma Ltd (Formerly Tarsius Pharma Ltd.)	20.96%	Equity Method
WRS Bioproducts Pty Ltd.	12.50%	Equity Method
Subsidiary of Associates		
Composite Power Generation LLP	36.90%	Equity Method
Vintage Power Generation LLP	39.41%	Equity Method
Vento Power Generation LLP	40.55%	Equity Method
HRE LLC	19.22%	Equity Method
HRE II LLC	19.99%	Equity Method
HRE III LLC	19.99%	Equity Method

Company Name	SIPL Ownership	Consolidation Approach
Dr. Py Institute LLC	19.22%	Equity Method
Medinstill Development LLC	19.22%	Equity Method
ALPS LLC	19.22%	Equity Method
Intact Pharmaceuticals LLC	19.22%	Equity Method
Intact Media LLC (Formerly known as Intact Skin Care LLC)	19.22%	Equity Method
Intact Solutions LLC	19.22%	Equity Method
Intact Closed Transfer Connectors LLC	19.22%	Equity Method
Intact PUR-Needle LLC	19.22%	Equity Method

Source: SPIL annual report FY2022

Note: ICRA has taken a consolidated view of the parent (SPIL), its subsidiaries and associates while assigning the ratings.

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