

**November 11, 2025**

## **Intas Pharmaceuticals Limited: Ratings reaffirmed**

### **Summary of rating action**

<b>Instrument*</b>	<b>Previous rated amount (Rs. crore)</b>	<b>Current rated amount (Rs. crore)</b>	<b>Rating action</b>
<b>Long-term/ short-term; fund-based/ non-fund based limits</b>	1,500.00	1,500.00	[ICRA]AA+(Stable)/ [ICRA]A1+; reaffirmed
<b>Total</b>	<b>1,500.00</b>	<b>1,500.00</b>	

*\*Instrument details are provided in Annexure I*

### **Rationale**

The ratings reaffirmation of Intas Pharmaceuticals Limited (IPL) factors in its well diversified geographical presence and a strong position across its key markets. IPL ranked sixth in the domestic pharmaceutical market, which contributed around 42% to its revenues in FY2025 and has a strong presence in Europe (40% of revenues in FY2025) through its oncology, biosimilar and hospital segments. The US and the rest of the world (ROW) markets generated around 5% and 13% of its revenues, respectively. While contribution from the US has reduced over the last two years following the import alerts to two of its manufacturing facilities, it is expected to increase gradually with the rise in sales of the new products, which are mostly in-licensed and/or third party manufactured. The ratings are also supported by IPL's strong R&D capabilities, which have aided the development of a strong generic product portfolio and pipeline in its key markets. IPL incurred 10.4% of its operating income in FY2025 towards R&D, which is one of the highest among its peers. The company also has a healthy financial profile, supported by strong liquidity and robust debt protection metrics.

ICRA has also noted the company's acquisitions of Udenyca (from Coherus Biosciences) in April 2025 and Prothya Biosolutions in October 2025. It acquired Udenyca for a consideration of around \$483.4 million, which was funded through debt of around \$420 million. The acquisition is expected to help IPL in strengthening its presence in the US generics markets, especially in the biosimilars segment. Further, it acquired the Netherlands-based Prothya Biosolutions (PB) in October 2025 at an enterprise value of around euro 230 million. PB is an established European company, operating in the plasma fractionation industry, which is expected to provide IPL with an existing plasma collection network in Europe and increase its reach in plasma sales to regulated markets across the globe. The acquisition was funded entirely through the existing liquidity of IPL. These acquisitions have resulted in an increase in the debt level of the company, leading to a moderation in its capitalisation and coverage indicators. However, a strong cash flow, supported by established presence in the domestic and European markets and improvement in performance in the US are expected to strengthen its debt protection metrics.

IPL also continues to remain exposed to regulatory risks arising on account of being in the highly regulated pharmaceutical industry. Its significant presence in regulated markets like the US and Europe further increases its exposure to such risks. The USFDA has issued import alerts to two of IPL's manufacturing facilities, which has impacted its revenue growth and operating profit margin (OPM). Moreover, it remains open to risks of litigation related to patent infringement and anti-competitive practices, which are common in the pharmaceutical industry. In this regard, the ongoing proceedings against the sale of one of its products – hydrocortisone – continues to remain a key matter. The competition monitoring agency (CMA) has levied a penalty on IPL in this matter, which can have a possible impact of up to \$44.4 million as penalties. However, the matter remains sub-judice. ICRA also notes that around 20% of IPL's domestic formulations portfolio falls under the National List of Essential Medicines (NLEM) and is exposed to the possibility of more price caps under the Drugs Prices Control Order (DPCO). IPL also remains exposed to foreign currency fluctuations (due to its exports and imports).

The Stable outlook on the long-term rating reflects ICRA's opinion that IPL will continue to benefit from its established business position in the domestic market, diversified presence in the international markets and a healthy product pipeline. This, coupled with healthy internal accrual generation and a strong liquidity position will continue to support the company's credit profile.

## Key rating drivers and their description

### Credit strengths

**Leading player in the Indian branded formulations segment** – IPL is ranked sixth in the Indian branded formulations segment with a market share of 3.7% in FY2025 based on IQVIA MAT March 2025 data. Its performance is supported by a strong chronic portfolio with prominent presence in therapies like CNS and CVS<sup>1</sup>. Aided by a large field force and a healthy field force productivity, IPL's growth outperformed that of the Indian pharmaceutical market (IPM) over the past many years. The domestic revenues grew by 15% to Rs. 8,822.6 crore in FY2025, supported by a broad-based growth across key therapeutic areas as the company continued to outperform IPM's covered market growth rate. Going forward, IPL is expected to continue to benefit from its established presence in the domestic market with a strong sales force network and a strong presence in the chronic therapies, leading to the sustenance of its healthy growth momentum.

**Geographically diversified revenue mix** – IPL has a well-diversified geographical presence across Europe (accounted for 40% of Q1 FY2026 revenues), the domestic market (39%), the US (11%) and the Rest of World (10%). In addition to its strong presence in India, it continues to rank among the top 10 generic pharmaceutical companies by turnover on a Pan-European basis and among the largest providers of injected oncology products by volume in the European Union. While the contribution from the US had reduced over the last two years on account of a lack of new product launches, increased focus on launch of in-licensed and/or third-party manufactured products is expected to increase the contribution, going forward. Supported by such launches, the revenues from the US have improved, registering sales of Rs. 666 crore in Q1 FY2026 as against Rs. 1,032.1 crore in FY2025.

**Strong R&D capabilities, supporting development of strong generic product pipeline in key markets** – With high focus on R&D, IPL has been able to develop a strong product portfolio, including complex generics (like injectables, oncology drugs and biosimilars) and has also invested in in-licensing of a few biosimilars. IPL was one of the first Indian companies to launch two biosimilars in Europe and it has continued to increase its presence in biosimilars through in-licensing deals while also investing in developing its own biosimilars. Driven by the increased focus on in-licensing arrangements and new product acquisitions/development, the R&D expenditure of the company has increased significantly over the past few years to around 10% of its operating income in FY2025. Moreover, the company is expected to continue to focus on building a strong pipeline of specialty products and biosimilars and, accordingly, the R&D expenses are expected to continue to remain at similar levels.

**Healthy financial profile** – The company generated an operating income of Rs. 5,778.2 crore in Q1 FY2026 with a YoY growth of around 16%, following an operating income of Rs. 20,855.5 crore in FY2025 with a growth of around 6%. The healthy growth in Q1 FY2026 was aided by the addition of sales of Udenyca to IPL's sales from the US. The OPM of the company also improved to 13.3% in Q1 FY2026 from 12.2% in FY2025 on account of reduction in the cost incurred towards remediation measures and failure to supply (FTS) penalties following the import alerts of IPL's manufacturing facilities. Despite some moderation on account of the acquisition of PB (having considerably lower profitability), the OPM is expected to continue to improve, aided by lower remediation costs and FTS penalties. While ICRA estimates the total debt/OPBDITA to remain higher than 1.8 times as on March 31, 2026, on account of the debt-funded acquisition, improvement in profitability and gradual reduction in debt are expected to reduce the same to less than 1.5 times by March 31, 2027, and less than 1.0 times by March 31, 2028. Moreover, IPL's liquidity profile will continue to remain strong, aided by robust cash flow generation, healthy cash and bank balances and the surplus liquidity available in the form of unutilised working capital limits.

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<sup>1</sup>Central nervous system and cardiovascular system

## Credit challenges

### **Exposure to regulatory risks and litigations; pending resolution of import alert by USFDA for key manufacturing facilities –**

Like its peers in the pharmaceutical industry, IPL's operations remain exposed to regulatory risks as well as pricing controls in the domestic market. The USFDA issued import alerts to IPL's manufacturing facilities located in Pharmez SEZ and Matoda, Ahmedabad (Gujarat) in June 2023 and December 2023, respectively. The impact on sales to the US and the costs associated with the remediation activities and FTS penalties affected IPL's revenues and margins. Moreover, the import alerts have impacted IPL's new product approvals and launches in the US. Thus, the company's revenues from the US and the overall OPM moderated over FY2024 and FY2025. While there has been improvement in revenues and profitability following acquisition of Udenyca and reduction in remediation costs and FTS penalties, a return to the profitability level of the past remains to be seen and will partially depend on the successful resolution of import alerts. Moreover, around 20% of IPL's domestic formulations business is covered under NLEM, with a possibility of future price control measures or addition of more products to the list of NLEM drugs.

ICRA also notes the various ongoing litigations, including the penalty imposed by the competition and markets authority (CMA) on the Group based on the infringement order against IPL's UK-based subsidiary, Accord UK. The matter is currently pending with the Court of Appeals and the outcome remains unascertainable. However, out of the total penalty of 221.1 million euro levied by CMA on the Intas Group, erstwhile Actavis UK Limited (now Accord UK) and Teva Pharmaceuticals (erstwhile owner of Actavis UK Limited), 44.4 million euro pertains to IPL. Against this, the company has already made provisions of 22.2 million euro. Any materially adverse impact (higher than the earlier order amount) of the ongoing litigations on the operations and financials of the company would be a key rating sensitivity.

### **High investments in biosimilars business are expected to continue over the near-to-medium term; commensurate returns will be key in sustaining the return indicators –**

IPL continues to invest in the biosimilar segment, which led to a high R&D expenditure of around 10% of annual revenues, which is among the highest in the industry. Thus, biosimilars generate a sizeable part of IPL's revenues in Europe and the domestic market. Moreover, it continues to focus on increasing its growth from the segment across both the regulated and semi-regulated markets through own and in-licensed products. The acquisition of Udenyca from Coherus Biosciences was another step in this direction. IPL has made high investments in the biosimilars business in the recent years and the same are expected to continue over the near-to-medium term. Its ability to generate commensurate returns on the same will be key in improving the company's return indicators over the medium term.

## Liquidity position: Strong

The liquidity position of IPL is strong, supported by healthy cash flow generation, cash, bank balance and liquid investments of Rs. 2,614.7 crore (at the consolidated level) and unutilised working capital limits of more than Rs. 2,300 crore (at a standalone level) as on June 30, 2025. Despite recent acquisitions, the company is expected to maintain a healthy liquidity buffer to fund its normal capex of Rs. 1,200-1,300 crore per annum and its repayment obligation of 30 million euro in FY2027.

## Rating sensitivities

**Positive factors** – The long-term rating may be upgraded if IPL reports a sustained growth in its revenues and expansion in its profitability across its key geographies, leading to further strengthening of its financial risk profile.

**Negative factors** – The ratings may be downgraded if there is a weakening in the company's revenues and earnings and/or an increase in debt level, leading to a rise in total debt/OPBDITA to above 2.0 times on a sustained basis. Any regulatory measure against IPL for its products and/or manufacturing facilities, which may impact its product launches and, thereby, its revenues and profitability, would also be a negative trigger. Any adverse outcome of ongoing litigations would remain an event risk, and the impact of the same on the company's business and credit profiles would be monitored on a case-by-case basis.

## Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology Pharmaceuticals</a>
Parent/Group support	Not applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered the consolidated financials of IPL.

## About the company

Incorporated in 1985, IPL is the flagship company of the Ahmedabad-based Chudgar Group. The company commenced operations by setting up a small manufacturing facility focused on chronic therapeutic segments, including neurology and psychiatry, before gradually gaining a meaningful presence in the domestic formulations market by the 1990s. Over the years, the company has diversified into wide therapeutic areas and ventured into international markets by exporting generic drugs and through contract manufacturing.

IPL is the sixth largest domestic formulations company, as per IQVIA MAT March 2025, generating nearly 42% of its turnover (for FY2025) from the domestic business. The company operates 17 manufacturing facilities, of which 13 are in India and the remaining are spread over the UK (two), Greece and Mexico. IPL's manufacturing facilities are approved by various regulatory authorities, including USFDA, UK MHRA, MCC (South Africa), TGA (Australia) and ANVISA (Brazil). IPL's promoters, the Chudgar family, owns an 83.84% stake in the company.

## Key financial indicators (audited)

IPL – Consolidated	FY2024	FY2025	Q1FY2026*
Operating income	19,667.8	20,855.5	5,778.2
PAT	1,162.1	1,528.0	255.8
OPBDIT/OI	12.5%	12.2%	13.3%
PAT/OI	5.9%	7.3%	4.4%
Total outside liabilities/Tangible net worth (times)	0.4	0.4	0.5
Total debt/OPBDIT (times)	0.8	0.8	1.7
Interest coverage (times)	14.8	14.2	3.3

Source: Company, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; \*abbreviated

## Status of non-cooperation with previous CRA: Not applicable

Any other information: None

## Rating history for past three years

Current ratings (FY2026)			Chronology of rating history for the past 3 years						
			FY2025		FY2024		FY2023		
Instrument	Type	Amount rated (Rs. crore)	Nov 11, 2025	Date	Rating	Date	Rating	Date	Rating
Fund based/ non fund based facilities	Long-term/ short-term	1,500.00	[ICRA]AA+ (Stable)/ [ICRA]A1+	Nov-01-24	[ICRA]AA+ (Stable)/ [ICRA]A1+	Jun-14-23	[ICRA]AA+ (Stable)/ [ICRA]A1+	Sep-22-22	[ICRA]AA+ (Stable)/ [ICRA]A1+
			-	Jan-17-25	[ICRA]AA+ (Stable)/ [ICRA]A1+	Nov-30-23	[ICRA]AA+ (Stable)/ [ICRA]A1+	-	-
			-	-	-	Dec-18-23	[ICRA]AA+ (Stable)/ [ICRA]A1+	-	-

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long-term/ short-term fund-based/ non-fund based facilities	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	Fund based/ Non-fund based Facilities	NA	NA	NA	1,500.00	[ICRA]AA+ (Stable)/ [ICRA]A1+

Source: Company

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

**Annexure II: List of entities considered for consolidated analysis**

Company Name	IPL's Ownership	Consolidation Approach
<b>Subsidiaries</b>		
Accord Healthcare Limited, UK	100.00%	Full Consolidation
Astron Research Limited, UK	100.00%	Full Consolidation
Accord Healthcare Inc., North Carolina, USA	100.00%	Full Consolidation
Accord Healthcare (Pty) Limited, South Africa	100.00%	Full Consolidation
Accord Farmaceutica Ltda., Brazil	100.00%	Full Consolidation
Accord Healthcare SAC, Peru	100.00%	Full Consolidation
Accord Farma S.A. De C.V., Mexico	100.00%	Full Consolidation
Accord Healthcare Inc., Canada	100.00%	Full Consolidation
Accord Healthcare Pty. Ltd., Australia	100.00%	Full Consolidation
Intas Third Party Sales 2005 S.L.	100.00%	Full Consolidation
Accord Healthcare (Kenya) Limited	100.00%	Full Consolidation
SM Herbals Private Limited	100.00%	Full Consolidation
<b>Step-down Subsidiaries</b>		
Farmbaiot S.A DE CV, Mexico	100.00%	Full Consolidation
Essential Pharmaceuticals LLC	100.00%	Full Consolidation
Accord Biopharma Inc. USA	100.00%	Full Consolidation
Accord Healthcare SAS, France	100.00%	Full Consolidation
Accord Healthcare BV, Netherlands	100.00%	Full Consolidation
Accord Healthcare Sociedad Limitada, Spain	100.00%	Full Consolidation
Accord Healthcare Italia SRL, Italy	100.00%	Full Consolidation
Accord Healthcare Polska Spolka Z Organizacjona Odpowiedzialnoscia, Poland	100.00%	Full Consolidation
Accord Healthcare AB, Sweden	100.00%	Full Consolidation
Accord Healthcare GmbH, Austria	100.00%	Full Consolidation
Accord Healthcare OY, Finland	100.00%	Full Consolidation
Accord Healthcare Ireland Limited, Ireland	100.00%	Full Consolidation
Accord Healthcare BVBA, Belgium	100.00%	Full Consolidation
Accord Healthcare Limited, Malta	100.00%	Full Consolidation
Accord Healthcare GmbH, Germany	100.00%	Full Consolidation

Company Name	IPL's Ownership	Consolidation Approach
Accord Healthcare SDN BHD, Malaysia	100.00%	Full Consolidation
Accord Healthcare MENA FZCO, UAE	100.00%	Full Consolidation
Accord-Healthcare Kft., Hungary	100.00%	Full Consolidation
Accord Healthcare S.R.O., Czech Republic	100.00%	Full Consolidation
Accord Healthcare Single Member S.A., Greece	100.00%	Full Consolidation
Accord Healthcare Private limited, Singapore	100.00%	Full Consolidation
Accord Healthcare, Unipessoal, Lda, Portugal	100.00%	Full Consolidation
Accord Healthcare HK Limited, Hongkong	100.00%	Full Consolidation
Accord Healthcare SRL, Romania	100.00%	Full Consolidation
Accord Healthcare AG, Switzerland	100.00%	Full Consolidation
Accord UK Limited, UK	100.00%	Full Consolidation
Accord Healthcare Thailand Limited (Thailand)	100.00%	Full Consolidation
Accord Healthcare Distribution SRL, Romania	100.00%	Full Consolidation
Life Plasma Inc, USA (w.e.f. December 20, 2023)	25.00%	Equity method

Source: IPL annual report of FY2025

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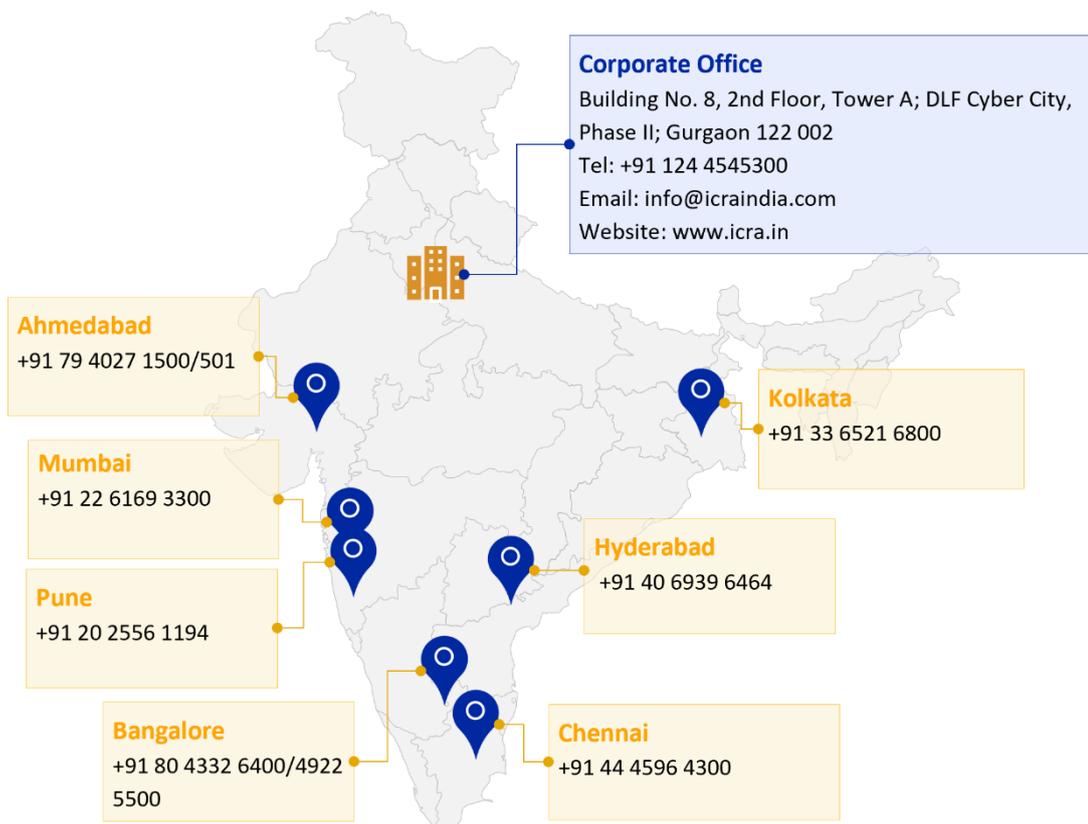
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