

MIRA INFORM REPORT

Report No. :	530814
Report Date :	22.09.2018

IDENTIFICATION DETAILS

Name :	AO PHARMASYNTEZ
Registered Office :	Krasnogvardeyıkaya Street 23, Office 3, Irkutskaya Oblast, 664007 Irkutsk
Country :	Russia
Financials (as on) :	31.12.2017
Date of Incorporation :	08.09.1997
Com. Reg. No.:	OGRN 1023801426538
Legal Form :	Joint Stock Company
Line of Business :	<ul style="list-style-type: none"> • Manufacture of pharmaceutical preparations • Manufacturers of pharmaceutical products, mainly antitubercular, antineoplastic, antiretroviral medicines and hospital antibiotics
No. of Employees :	2,000

RATING & COMMENTS

(Mira Inform has adopted New Rating mechanism w.e.f. 23rd January 2017)

MIRA's Rating :

A+

Credit Rating	Explanation	Rating Comments
A+	Low Risk	Business dealings permissible with low risk of default

Status :	Good
Payment Behaviour :	Regular
Litigation :	Clear

NOTES :

Any query related to this report can be made on e-mail : infodept@mirainform.com while quoting report number, name and date.

ECGC Country Risk Classification List

Country Name	Previous Rating (31.12.2017)	Current Rating (01.04.2018)
Russia	A2	A2

Risk Category	ECGC Classification
Insignificant	A1
Low Risk	A2
Moderately Low Risk	B1
Moderate Risk	B2
Moderately High Risk	C1
High Risk	C2
Very High Risk	D

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RUSSIA - ECONOMIC OVERVIEW

Russia has undergone significant changes since the collapse of the Soviet Union, moving from a centrally planned economy towards a more market-based system. Both economic growth and reform have stalled in recent years, however, and Russia remains a predominantly statist economy with a high concentration of wealth in officials' hands. Economic reforms in the 1990s privatized most industry, with notable exceptions in the energy, transportation, banking, and defense-related sectors. The protection of property rights is still weak, and the state continues to interfere in the free operation of the private sector.

Russia is one of the world's leading producers of oil and natural gas, and is also a top exporter of metals such as steel and primary aluminum. Russia is heavily dependent on the movement of world commodity prices as reliance on commodity exports makes it vulnerable to boom and bust cycles that follow the volatile swings in global prices. The economy, which had averaged 7% growth during the 1998-2008 period as oil prices rose rapidly, has seen diminishing growth rates since then due to the exhaustion of Russia's commodity-based growth model.

A combination of falling oil prices, international sanctions, and structural limitations pushed Russia into a deep recession in 2015, with GDP falling by close to 2.8%. The downturn continued through 2016, with GDP contracting another 0.2%, but was reversed in 2017 as world demand picked up. Government support for import substitution has increased recently in an effort to diversify the economy away from extractive industries.

Source : CIA

SUMMARY

COMPANY NAME	AO PharmaSyntez			
ADDRESS	Street	Area	Town	PO Box
	Krasnogvardeyikaya Street 23, Office 3	Irkutskaya Oblast	Irkutsk	664007 Irkutsk
TEL/FAX	Verified Phones: (+7 3952) 550 355 / Fax: (+7 3952) 550 325			
EMAIL/WEBSITE	Email: info@pharmasyntez.com / Website: www.pharmasyntez.com			
ACTIVITY	NACE 2120 - Manufacture of pharmaceutical preparations;			
PRINCIPAL	Vikram Singh Punia			Workforce 2,000
LEGAL INFO	Date Of Est.	Reg. No.	Legal Form	Status
	08/09/1997	OGRN 1023801426538	Joint Stock Company	Active
CAPITAL	CURRENCY		AMOUNT	
	RUBLE (RUB)		1,200,000,000	

IDENTIFICATION

CO. NAME	AO PharmaSyntez		
ALSO KNOWN NAME (S)	AO FARMASINTEZ / JSC PharmaSyntez		
STREET	Krasnogvardeyikaya Street 23, Office 3		
AREA	Irkutskaya Oblast		
POSTAL ADDRESS	664007 Irkutsk		
TOWN	Irkutsk		
COUNTRY	Russia		
TELEPHONE	(+7 3952) 550 355 / (+7 3952) 550 314 (Accounts Department) / (+7 3952) 550 318 (HR Department) / (+7 3952) 550 322 (Finance Department)		
FAX	(+7 3952) 550 325		
VERIFIED EMAIL	info@pharmasyntez.com / ad@pharmasyntez.com / fd@pharmasyntez.com / hr@pharmasyntez.com / sd@pharmasyntez.com		
WEBSITE	www.pharmasyntez.com		
BUSINESS HOURS	DAYS	OFFICE HOURS	BREAK TIME
	Mon-Fri	09:00-18:00	13:00-14:00
REGISTERED ADDRESS	Krasnogvardeyikaya Street 23, Office 3 Irkutskaya Oblast 664007 Irkutsk Russia		
CORPORATE ADDRESS	Rosa Luxemburg Street 184/1		

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664040 Irkutsk
Russia

SENIOR PERSONNEL

MANAGEMENT	NAME	POSITION
	Vikram Singh Punia	President
	Alexander Keiko	First Vice-President
	Anna Elshina	Vice-President / Finance & Investments
	Oleg Astafurov	Vice-President / Government Relations
	Natalya Malykh	Vice-President / Quality & Regulatory Affairs
	Dmitry Fedorov	Vice-President / Legal
	Irina Valerievna Punia	Vice-President / Construction
	Benjamin Kovac	Vice President / Business Development
	Olga Galkina	Vice-President / Production
	Natalya Podlubnaya	Interim Vice-President on Commerce
	Avgustina Gabysheva	Chief Accountant
WORKFORCE	NO. OF EMPLOYEES	PERIOD
	2,000 (group)	09.2018

FINANCIAL SUMMARY

TURNOVER	31/12/2017 RUBLE 10,246,558,000	31/12/2016 RUBLE 8,596,663,000
NET PROFIT / (LOSS)	31/12/2017 RUBLE 2,211,056,000	31/12/2016 RUBLE 1,002,128,000
NOTES	Balance sheets as at 31 December 2017 showed :	

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	31/12/2017	31/12/2016
	(in thousands of RUBLE)	
ASSETS		
Non-current assets		
Intangible assets	32,060	23,609
Research & Development	20,857	28,154
Fixed assets	1,187,955	1,182,527
Profitable investments in tangible assets	14,057	3,802
Financial investments	798,446	762,402
Deferred tax assets	11,655	4,280
Other non-current assets	0	2,712
Total non-current assets	2,065,030	2,007,486
Current assets		
Stock	2,736,311	3,010,001
Value added tax on purchased valuables	2,989	5,872
Trade receivables	3,037,291	2,635,929
Financial investments	2,680,429	2,029,334
Cash equivalents	1,831,011	809,898
Other current assets	33,597	3,154
Total current assets	10,321,628	8,494,188
TOTAL ASSETS	12,386,658	10,501,674
EQUITY & LIABILITIES		
Equity		
Share capital	1,200,000	1,200,000
Reserve capital	60,019	43,180
Retained earnings	3,833,866	1,940,356
Total equity	5,093,885	3,183,536
Long-term liabilities		
Borrowings	840,868	851,173
Deferred tax liabilities	45,626	98,336
Total long-term liabilities	886,494	949,510
Short-term liabilities		
Borrowings	423,602	1,062,851
Accounts payable	5,948,788	5,305,778
Estimated liabilities	33,890	0
Total Short-term liabilities	6,406,279	6,368,629
TOTAL EQUITY & LIABILITIES	12,386,658	10,501,674

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INCOME STATEMENT

Revenue	10,246,558	8,596,663
Cost of Sales	(5,835,904)	(5,731,543)
Gross Profit	4,410,654	2,865,120
Commercial expenses	(254,108)	(289,575)
Administrative expenses	(454,605)	(347,339)
Profit(loss) from sales	3,701,941	2,228,206
Other income and expenses		
Interest income	133,123	79,175
Interest payable	(147,598)	(266,227)
Other income	796,146	897,232
Other expenses	(1,679,825)	(1,613,052)
Profit(loss) before taxation	2,803,787	1,325,334
Current income tax	(559,318)	(244,312)
Changes in deferred tax liabilities	52,710	(54,528)
Changes in deferred tax assets	7,375	(24,233)
Others	(93,498)	(133)
Net Profit(loss)	2,211,056	1,002,128

FISCAL YEAR-END

31 December.

LEGAL STATUS

INCORPORATION	08/09/1997	
REGISTRATION NO.	C.R. NUMBER OGRN 1023801426538 (issued on: 15/07/2002)	ISSUED BY Federal Tax Service
OTHER REGISTRATION NO.	INN 3810023308 (Tax Code) / KPP 384901001 / OKPO 46694344 (Statistics Code) / OKTMO 25701000001	
AUTHORISED CAPITAL	AMOUNT 1,200,000,000	CURRENCY RUBLE
PAID-UP CAPITAL	AMOUNT 1,200,000,000	CURRENCY RUBLE
BUSINESS HISTORY	The Company was incorporated in Russia on 8 September 1997 and commenced production in 1999.	
LEGAL FORM	Joint Stock Company	
STATUS	Active	
SOLE SHAREHOLDER	NAME Vikram Singh Punia Nationality: Russian with Indian origins Tax Code: INN 382706019207	PERCENTAGE 100.00%

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Personal profile on Vikram Singh Punia:

He was born on March 15, 1973 in Jaipur, India, a Russian citizen.
He graduated from the Birla Public School in Pilani. In 1992 he entered the Irkutsk State Medical University. He has a higher economic education in the Far Eastern State University, majoring in Finance and Credit. He is married and has three children. He is the founder and sole owner of JSC "Farmasintez". Member of the Non-Profit Partnership "Leaders Club for Promoting Business Initiatives", co-chairman of the Business Council for Cooperation with India.

OPERATION

BANKERS

Baikalskiy Bank PAO Sberbank
Nizhnaya Naberezhnaya Street 10
Irkutsk 664011
Russia
Phone: (+7 3952) 282 111
Acc. No.: 40702810318350104505
Corr. Acc. No.: 30101810900000000607
BIK: 042520607

AUDITORS

Subject also has an account with PAO BANK VTB.
OOO TSENTR FINANSOVOY EKSPERTIZY
Trudovaya Street 5-55
Irkutsk
Russia

ACTIVITY CODE (NACE) LINE OF BUSINESS

C.R. No.: OGRN 1163850095133
License No.: 11603071978
2120 - Manufacture of pharmaceutical preparations;
Manufacturers of pharmaceutical products, mainly antitubercular, antineoplastic, antiretroviral medicines and hospital antibiotics.

Annual Production in packaging:

Tablets – 7,146,654;
Capsules – 4,177,743;
Granules – 48,138;
Solutions – 2,337,109;
Powders – 1,036,056.

**IMPORT FROM
EXPORT TO
FACILITIES**

Subject's partners includes: Apotex, Biocon, Dong-A ST, Oasmia, Orion Pharma and Reliance Industries Limited. Europe, Sweden, Finland, India, Canada and South Korea. CIS countries, Kazakhstan, Kyrgyzstan, Uzbekistan and Belarus. Owned premises comprising administrative offices, a manufacturing unit and storage facilities located at the heading address as well as corporate office located at Rosa Luxemburg Street 184/1, 664040 Irkutsk, Russia. Subject also has one branch offices located in Moscow, Presnenskaya Emb, house 12, Federation Tower (West), floor 42. Group members also has 4 factories located in Ussuriysk, Tyumen, Saint Petersburg and Bratsk.

RELATED COMPANIES

Subsidiaries

1. OOO Bratskchemsyntez
Kommunalnaya Street 5a/1
Bratsk
Irkutskaya Oblast
Russia
Est.: 18/03/2013
Tax Code: INN 3804049957
2. OOO EAST-PHARM
Volochevskaya Street 120b
Ussuriysk
Primorskiy Kray
Russia
Est.: 25/02/2014
Tax Code: INN 2511087220
3. OOO PharmaSyntez-Khemi
Komsomolskiy Avenue 33
Usolie-Sibirskoye
Irkutskaya Oblast
Russia
Est.: 18/09/2017
Tax Code: INN 3810071823
4. OOO PharmaSyntez-Tyumen
kilometr Velizhanskogo Trakta 2
Tyumen
Russia
Est.: 16/02/2015
Tax Code: INN 7203332653
5. OOO PharmaSyntez-SK
Luxemburg Street 184/1
664040 Irkutsk
Russia
Est.: 18/10/2017

Tax Code: INN 3810072344

6. OOO Propharm
Luxemburg Street 184/1
664040 Irkutsk
Russia
Est.: 19/09/2012
Tax Code: INN 3810326670

7. OOO Baikalbiolife
Luxemburg Street 184/1
664040 Irkutsk
Russia
Est.: 23/09/2013
Tax Code: INN 3810333162

8. AO PharmaSyntez-Nord
Torfyanaya Doroga Street 7
Saint Petersburg
Russia
Est.: 14/05/2010

9. TOO PharmaSyntez-Zerde
Khimpharmzavoda 1/2
Shymkent
Kazakhstan
Est.: 19/01/2015

PAYMENT RECORDS

CREDIT OPINION

We consider it is acceptable to deal with subject for LARGE amounts.

SPECIAL REMARKS

INTERVIEWED COMMENTS

Avgustina Gabysheva (Chief Accountant).
You enquired on: JSC PharmaSyntez. Please note that this name
applies to an English translation of the subject's name. Subject's
correct registered name is as per heading.

FOREIGN EXCHANGE RATES

Currency	Unit	Indian Rupees
US Dollar	1	INR 71.85
UK Pound	1	INR 95.15
Euro	1	INR 84.68
RUB	1	INR 1.09

Note : Above are approximate rates obtained from sources believed to be correct

INFORMATION DETAILS

Analysis Done by :	VIV
Report Prepared by :	SYL

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RATING EXPLANATIONS

Credit Rating	Explanation	Rating Comments
A++	Minimum Risk	Business dealings permissible with minimum risk of default
A+	Low Risk	Business dealings permissible with low risk of default
A	Acceptable Risk	Business dealings permissible with moderate risk of default
B	Medium Risk	Business dealings permissible on a regular monitoring basis
C	Medium High Risk	Business dealings permissible preferably on secured basis
D	High Risk	Business dealing not recommended or on secured terms only
NB	New Business	No recommendation can be done due to business in infancy stage
NT	No Trace	No recommendation can be done as the business is not traceable

NB is stated where there is insufficient information to facilitate rating. However, it is not to be considered as unfavourable.

This score serves as a reference to assess SC's credit risk and to set the amount of credit to be extended. It is calculated from a composite of weighted scores obtained from each of the major sections of this report. The assessed factors are as follows:

- Financial condition covering various ratios
- Company background and operations size
- Promoters / Management background
- Payment record
- Litigation against the subject
- Industry scenario / competitor analysis
- Supplier / Customer / Banker review (wherever available)