

Subject:-

**ENTERPRISE ANALYSIS AND
DESK RESEARCH**

TOPIC-

HEALTH CARE ORGANIZATION.



**SUN
PHARMA**

SUN PHARMA

Name: Rutuja Sambhushete.

MBA 1st Year

Div: 2

GUIDED BY:

MS. POOJA GAVANDE MA'AM.

Founder-



Dilip Shanghavi

Board of directors-

- **SAILESH DESAI**
Executive Director
- **KALYANASUNDARAM SUBRAMANIAN**
Executive Director
- **SUDHIR VALIA**
Non-Independent Non-Executive Director
- **GAUTAM DOSHI**
Independent Director
- **DR. PAWAN GOENKA**
Lead Independent Director
- **SANJAY ASHER**
Independent Director

Promoters

- Dilip Shanghvi
- Viditi Investment Pvt Ltd
- Tejaskiran Pharmachem industries Pvt Ltd.
- Quality investment private limited
- Family investment Pvt Ltd
- Virtuous Finance Pvt Ltd
- Virtuous share investments Pvt Ltd
- Sholapur organic Pvt Ltd
- Package Investrade Pvt Ltd
- Shanghavi Finance Pvt Ltd

Sun Pharmaceutical Industries Limited (Sun Pharma)

Sun Pharmaceuticals was founded by Dilip Shanghvi in 1983 in Vapi, Gujarat, with five products to treat psychiatry ailments. **(Sun Pharma)** is an Indian multinational pharmaceutical company headquartered in Mumbai, that manufactures and sells pharmaceutical formulations and active pharmaceutical ingredients (APIs) in more than 100 countries across the globe. It is the largest pharmaceutical company in India and the fourth largest specialty generic pharmaceutical company in the world.

- Cardiology products were introduced in 1987
- Gastroenterology products in 1989.

Today it is ranked number one by prescriptions with ten different specialties of doctors in India and a market leader in cardiology, gastroenterology, ortho, diabetology, dermatology, urology, vitamins, minerals, and nutrients. Manufacturing is across 44 global locations in India, the US, Asia, Africa, Australia and Europe.

Vision-

Reaching People And Touching Lives Globally
As A Leading Provider Of Valued Medicines

Mission-

We will leverage our people, expertise and networks to address the needs of the communities that we serve and thereby catalyse overall development. Being a global pharma company, we strongly believe that business and responsibility go hand-in-hand.

Quality Policy of the Company-

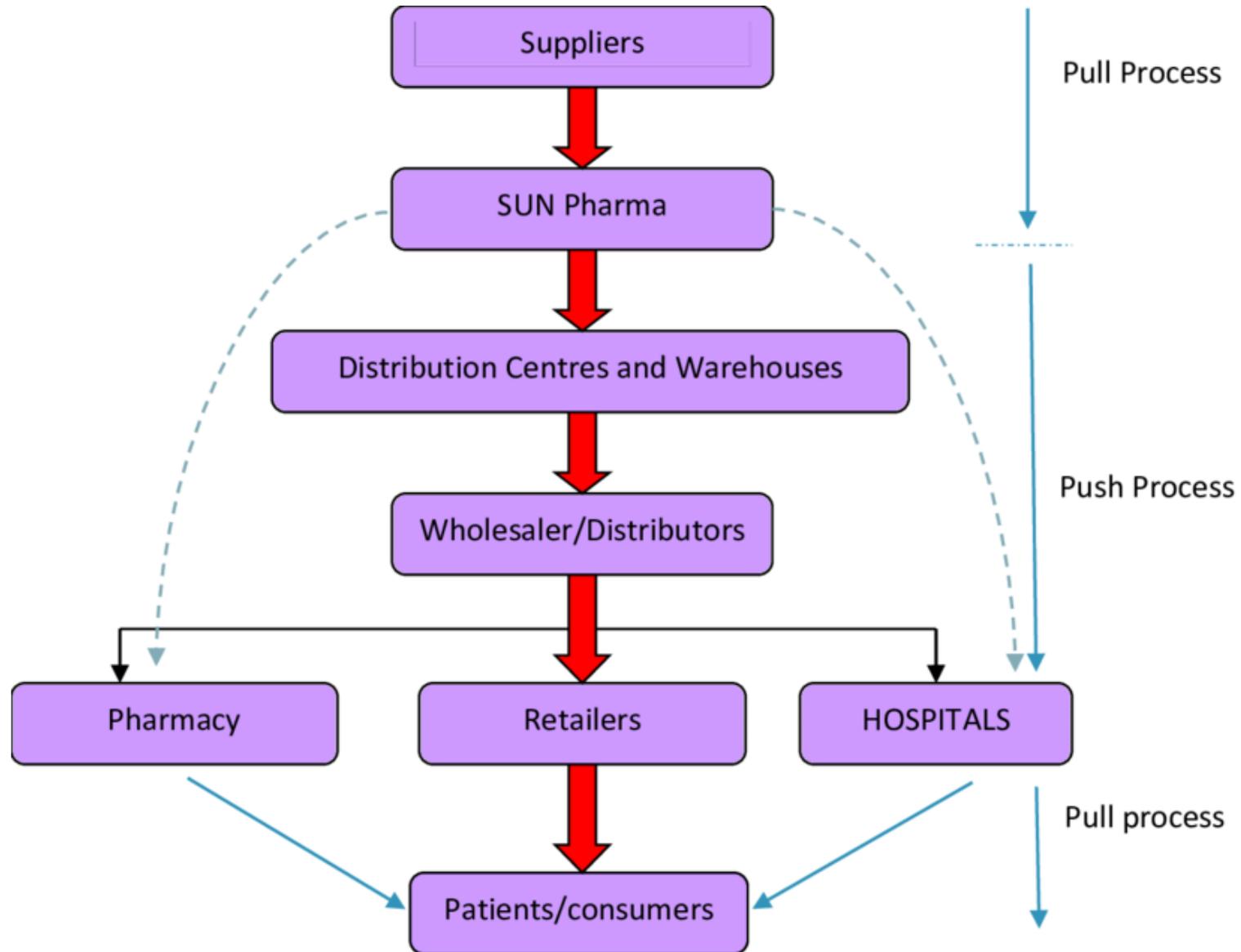
If there is one core attribute to which we attach the highest priority, and on which we will not compromise, it is quality.

At Sun, They work towards continuous improvement of our Quality Management System (QMS). They are building and maintaining a strong culture of quality through the on-going development, training, and empowerment of our personnel. They believe that producing safe, high-quality product is everyone's responsibility.

They follow one quality standard globally at Sun. And ensure its implementation across different functions, including research & development, quality and technical operations. Use the best practices to ensure consistent, high-quality products are delivered to the patients.

Management Structure-

- **Harmonization of Compliance Processes-** This concept enables planning, monitoring, and facilitating continuous improvement of product quality supporting regulatory compliance.
- **“Lessons Learned” Strategy-** integral part includes identification of gaps, their analysis, risk mitigation and taking corrective actions.
- **Global Quality Metrics-** represent a selection of statistical analysis
- **Quality by Design Principles (QbD) for Sustainable Quality-** “Quality cannot be tested into the product, but it should be built into it”. We are implementing a “21st Century Quality Initiative” across the organization including R&D, technical and quality operations to perform quality, risk and knowledge management assessments.
- **Quality Data Governance-** investing in electronic applications.



Financial Structure-

Over 72% of Sun Pharma sales are from markets outside India, primarily in the United States. The US is the single largest market, accounting for about 30% of the company's turnover. In all, formulations or finished dosage forms, account for 93% of the turnover.

TITLE	Mar 31, 2022	Mar 31, 2021	Mar 31, 2020	Mar 31, 2019
Total Revenue	386,544.90	334,981.40	328,375	290,659.10
Gross Profit	277,783.50	242,796.20	223,662.30	198,271.50
Operating Income	81,471.70	64,276.20	47,688.40	36,877
Net Income	32,727.30	29,038.20	37,649.30	26,654.20

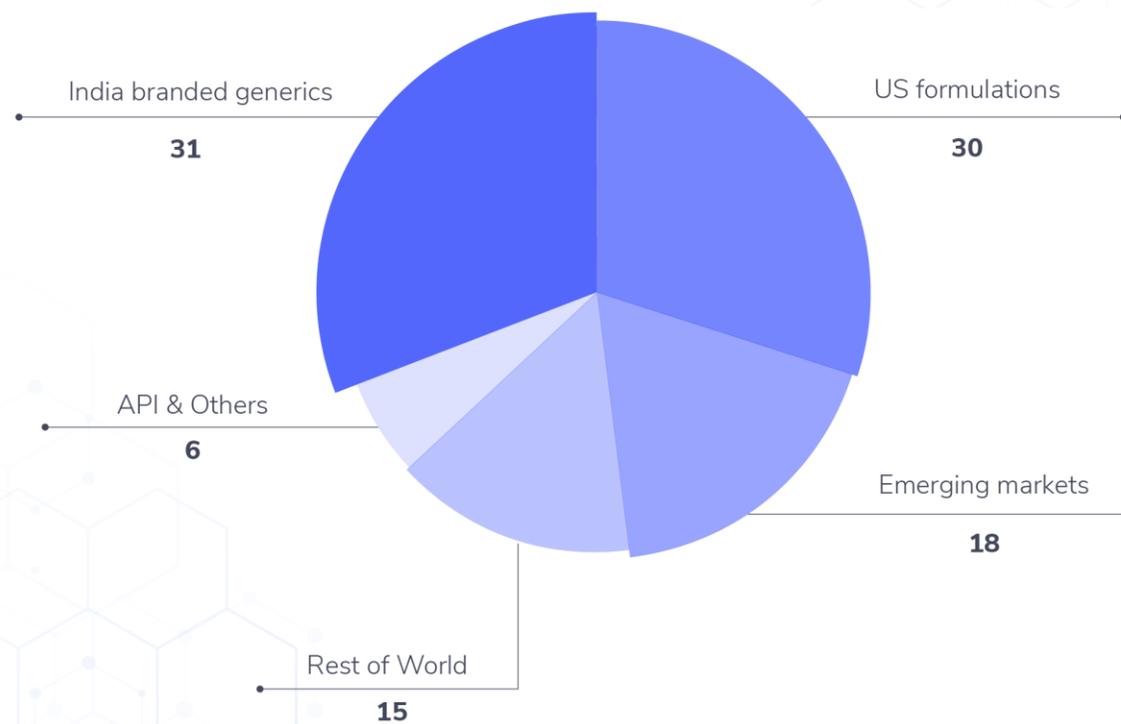
Cash Flow/Share TTM 16.75

Revenue/Share TTM 176.72

Operating Cash Flow 52.23%

Share of revenue

(FY21) (%)



Manufacturing Challenges at the time of Covid

1. **Clinical trials with Nafamostat in Covid-19 patients**
2. **Donation of 2.5 Million Hydroxychloroquine Sulfate Tablets in the U.S. for potential COVID-19 treatment**
3. **Production of Covid-19 specific medicines**
4. **Collaboration with Eli Lilly to accelerate access to baricitinib in India**
5. **Partnership with MSD to accelerate access to Molnupiravir**
6. **Launching of tablet Favipiravir in India** Sun pharma launched Favipiravir 200 mg at an economical price of Rs. 35 per tablet, for the treatment of mild to moderate cases of Covid-19 in India in August 2020. The drug was launched at an economical price to make it accessible to more and more patients thereby reducing their financial burden.

Service Challenges at the time of Covid

Sun Pharma employees are warriors for their selfless and tireless efforts to serve the community and ensuring continued production of all medicines during this challenging period.

Sun Pharma has focused on a multi-pronged approach to overcome the challenges of the COVID-19 pandemic which includes

- (i) Maintaining manufacturing continuity to ensure regular supply of medicines to customers/patients across the world,
- (ii) Supporting the Government of India in its fight against the pandemic by donating COVID-19 specific medicines, hand sanitizers, masks and PPE Kits,
- (iii) Focus on safety and well-being of our employees across all our offices, R&D center and manufacturing units. In addition, our products like Remdesivir, Itolizumab, Favipiravir, Liposomal Amphotericin B, etc. are used in treating COVID-19 and associated ailments.

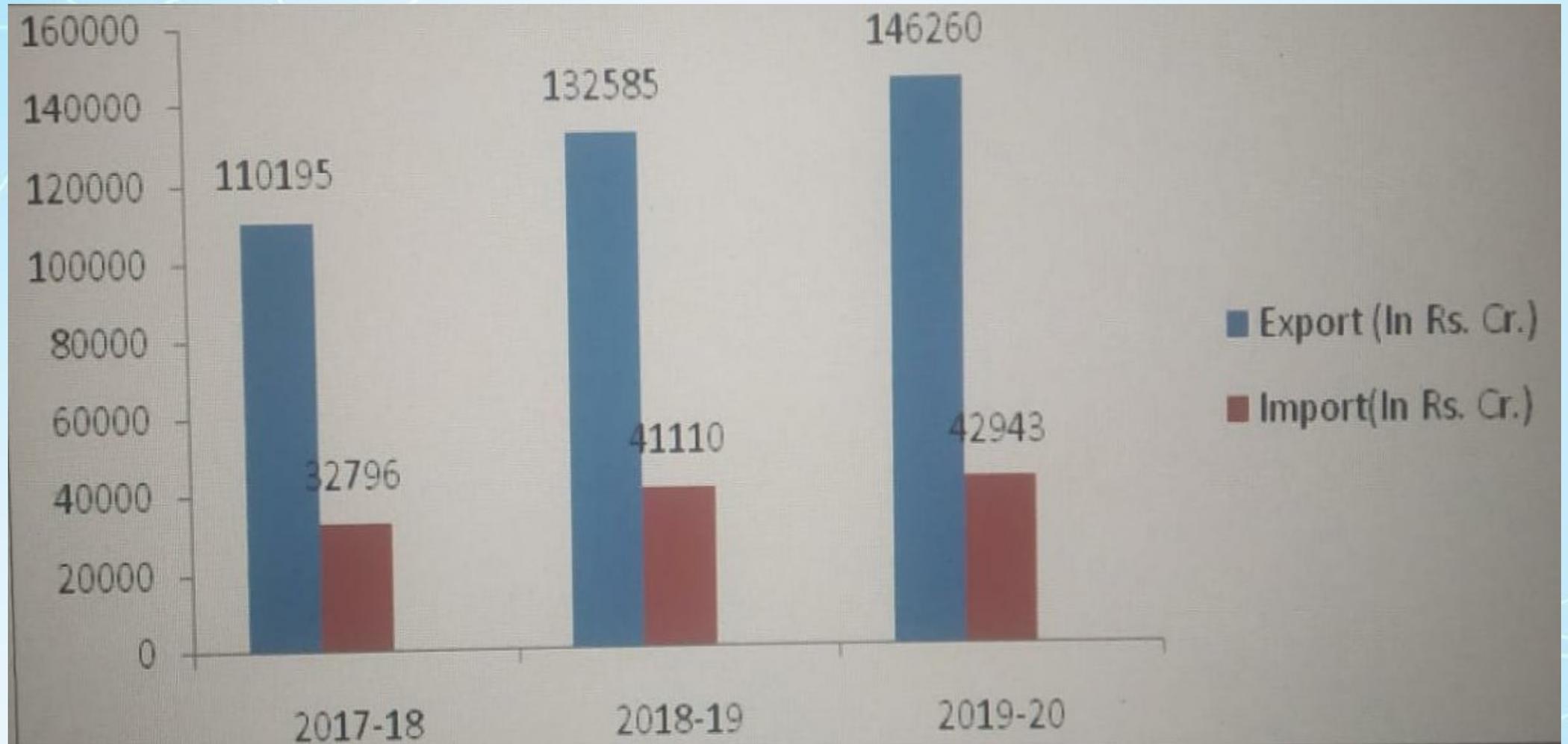
1. Employee protection – Keep workplace COVID-19 free, working remotely wherever feasible
2. Doctor and patient engagement – Focus on digital engagement with doctors, patients, healthcare provider.
3. Supply chain protection - Keep plants operational with safety protocols, maintain adequate stock levels, ensure timely deliveries, enhance captive consumption, and have close vendor connect to ensure supply chain continuity.
4. Support mechanisms and infrastructure – Enable work-from-home and collaboration tools, strengthen security related controls and enable access for remotely operating vendors.
5. Financial health – Focus on collections and effective debtor management to maintain adequate liquidity, while simultaneously continuing to focus on cost optimization.

Production/ sales Forecasting challenges at the time of Covid

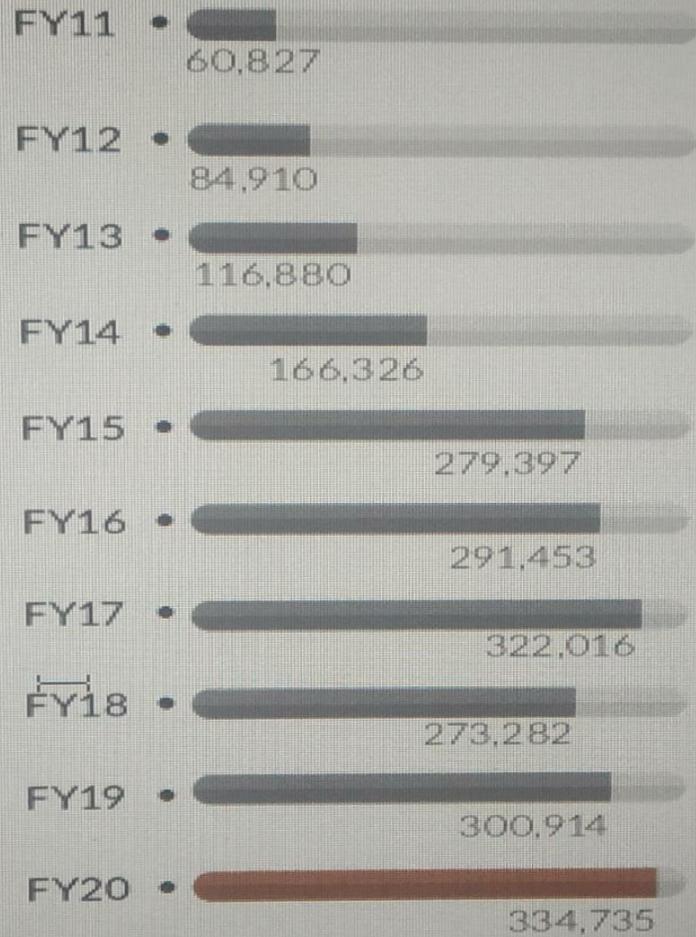
- 1) Disrupted Supply Chain-** supply chains been broken, disrupted, and grinding halt because of the lockdowns, closed borders so to rapid procurement of raw material and chemicals for drug manufacturing, managing equipment for research & production, optimized warehouse management is must.
- 2) Need for Highly Skilled Workforce** for research, development, clinical trials for the potential coronavirus vaccine. Research requires scientists with immense knowledge, experience, and skills.
- 3) Humongous Data Collation and Analysis** clinical trial data insights will help pharma companies guide the world towards a better tomorrow.
- 4) Need for Agility and Transparency** With the Covid-19 pandemic, There is an increased need for faster, accurate, and transparent operations across the board.
- 5) Workforce optimization and Controls** accommodating remote workforce, social distancing when in person, wearing masks and gloves, and avoiding spreading the coronavirus. while dealing with organic material, additional testing is needed before the drug passes Quality and is deemed 'in spec'. The extra impetus has led to newer Standard Operating Procedures in operations and quality when it involves batch production through batch records.

Sales of Respective sector covid and Post covid

performance reflects the impact of the global COVID-19 pandemic but vertical integration has benefitted supply chain for formulations Like almost every business, this year showed impacts from the coronavirus pandemic, a decline of about 9.6% in consolidated sales Despite challenging conditions, we have done well and have not lost market share for any of our key speciality products in the US, Our API business imparts benefits of vertical integration and continuity of supply chain for our formulations business. We continue to increase the API supply for captive consumption for key products.



Import and export of Medicines and APIs



Total Income (in million)

Particulars	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
(₹ Million)										
Operating Performance										
Revenue from operations	57,279	80,195	112,999	160,804	273,920	284,870	315,784	264,895	290,659	328,375
Total income	60,827	84,910	116,880	166,326	279,397	291,453	322,016	273,282	300,914	334,735
Net profit for the year (after minority interest)	18,161	26,567	29,831	31,415	45,394	45,457	69,644	20,957	26,654	37,649
R&D expenditure	3,313	4,449	7,042	10,418	19,550	23,025	23,138	22,489	19,847	19,736
a) Capital	236	362	427	556	1,178	783	1,679	1,819	718	484
b) Revenue (excluding depreciation)	3,077	4,088	6,616	9,862	18,373	22,242	21,459	20,669	19,129	19,252
c) % of sales	6.0	5.6	6.3	6.5	7.2	8.3	7.6	8.6	6.9	6.1
Financial Position										
Equity share capital	1,036	1,036	1,036	2,071	2,071	2,407	2,399	2,399	2,399	2,399
Reserve and surplus	93,798	121,322	148,862	183,178	278,009	327,418	363,997	380,742	411,691	450,245
Property, plant & equipment and other intangible assets (at cost)	45,473	54,269	75,763	86,505	143,616	187,212	217,315	238,073	271,424	297,055
Carrying value of property, plant & equipment and other intangible assets	25,214	29,295	45,145	49,827	96,848	124,130	149,404	157,111	172,919	175,858
Investments	26,557	22,129	24,116	27,860	35,028	18,299	11,919	71,429	79,025	101,431
Net current assets	58,622	76,749	86,618	126,969	135,488	167,973	150,666	117,716	137,296	159,477
Stock Information										
Number of shares (in Million)	1,036	1,036	1,036	2,071	2,071	2,407	2,399	2,399	2,399	2,399
Adjusted earning per share (post exceptional items) (in ₹)*	7.5	11.0	12.4	13.1	18.9	18.9	29.0	8.7	11.1	15.7
Earnings per share-Basic (in ₹)*	17.5	25.7	28.8	15.2	18.9	18.9	29.0	8.7	11.1	15.7
Earning per share-Diluted (In ₹)*	17.5	25.7	28.8	15.2	18.9	18.9	29.0	8.7	11.1	15.7

How Company Handled its Employees at the time of Covid

- ❖ Set up a covid HR team to monitor the status of every employee in the organisation on the following parameters:
 - Where they are currently situated
 - Their health status
 - Their current activity status
 - Disclosure of their family members' health issues.
- ❖ Daily monitoring (across all locations).
- ❖ Launch a digital employee health declaration system to track employee well-being and comply with administrative reporting requirements.
- ❖ Set up a panel of doctors to provide virtual guidance to employees on health issues. (COVID HR team to monitor).
- ❖ Prepare a roster of employees operating in the plant on a rotation basis, keeping in mind risk assessment, location proximity, executive health reports, and annual checkup reports.
- ❖ Develop and disseminate/communicate strict protocols for staff working at plants and from home.

- ❖ Conduct a periodic medical checkup, a thermal checkup/scanning at entry point for all employees. In case anyone is found positive for COVID -19, Ask employees to track all contact with coworkers and visitors.
- ❖ Ask employees to report confirmed cases of themselves or family members and stay at home for 14 days cleared by a doctor.
- ❖ Document a policy pertaining to work from home, if not available.
- ❖ Restrict non-essential travel (domestic/ international) and promote flexible working arrangements.
- ❖ Communicate emergency toll-free numbers to handle any crisis that may come up.
- ❖ Educate employees on COVID-19 symptoms and prevention through video/audio conferences.
- ❖ Encourage employees to speak to a counsellor for advice on managing stress and boosting morale.
- ❖ Communicate personal hygiene good practices to employees and educate them on social distancing measures.

Policies of the Government and support to the sector

- India CEO Forum on Climate Change
- Indian Drug Manufacturing Association (IDMA)
- Indian Pharmaceutical Alliance (IPA)
- Confederation of Indian Industry (CII)
- The Associated Chambers of Commerce of India (ASSOCHAM)
- The Federation of Indian Chambers of Commerce and Industry (FICCI)
- Federation of Gujarat Industries (FGI)
- Gujarat Employers Organization (GEO)



The background features soft, abstract watercolor washes in shades of light blue and lavender. In the top-left and bottom-right corners, there are delicate illustrations of green leaves on thin stems, rendered in a soft, painterly style.

Thank you