International Journal for Multidisciplinary Research (IJFMR)
E-ISSN: 2582-2160 ● Website: www.ijfmr.com ● Email: editor@ijfmr.com

# An Overview of Pharmaceutical Company in India

**Anu Thakur[1], Dr. Manish Khanna[2], Dr.Tanu Thakur[3]**

[1]Research Scholar /Superintendent in S.P.U. Mandi. (HP)
[2]Assistant Professor, Technical University
[3]School Lecturer, Higher Education

**Abstract**
The **pharmaceutical industry** is an industry in medicine that discovers, develops, produces, and markets pharmaceutical drugs for use as medications to be administered to patients(our self-administered), with the aim to cure and prevent diseases, or alleviate symptoms. Pharmaceutical companies may deal in generic or brand medications and medical devices. They are subject to a variety of laws and regulations that govern the patenting, testing, safety, efficacy using drug testing and marketing of drugs.

**Keywords:** Pharmaceutical, Global, medicines, Export, Revenue,

## 1. INTRODUCTION

### Overview of Indian Pharmaceutical Companies in India

The pharmaceutical sector has the responsibility of producing new and potential l drugs for the market, ensuring the safety and validity of medical drugs, and evaluating safe drugs that enable quicker patient recovery. The pharmaceutical industry in India was valued at an estimated US$42 billion in 2021. India is the world's largest provider of generic medicines by volume, with a20%share of total global pharmaceutical exports .It is also the largest vaccine supplier in the world by volume, accounting for more than 50%ofall vaccines manufactured in the world. With industry standards-compliant mega production capabilities and a large number of skilled domestic workers, Indian exports meet the standards and requirements of the highly regulated markets of the USA, UK, European Union, and Canada.

Forecasts put the value of India's pharmaceutical sector at Rs. 42 billion in2021. Twenty percent of the world's pharmaceutical exports come from India, making it the largest provider of generic drugs. This company is the largest vaccine supplier in the world, responsible for more than half of all vaccinations manufactured. The large production facilities and vast number of skilled domestic workforce members in India ensure that the country's exports meet the standards and needs of the highly regulated market since the United States, the United Kingdom, the EuropeanUnion,and Canada. Domestic pharmaceutical market turnover was Rs 129,015 crore (Rs. 18.12 billion) in 2018, an increase of 9.4percent from 2017.Export revenue wasRs.17.28 billion in FY18andRs.19.14billion in FY19.

According to the Department of Pharmaceuticals, Ministry of Chemicals and Fertilizers, domestic pharmaceutical market turnover reached Rs 129,015 crore (US$18.12 billion) in 2018, growing 9.4 percent year-on-year, and export revenue was US$17.28 billion in FY18 and US$19.14 billion in

FY19. As of2021, most pharmaceuticals made in India are low-cost generic drugs, which comprise most of India's pharmaceutical exports. Patented medicines are imported. APIs are imported from China (60% of supplies by volume, worthUS$2.4billion) and Germany(US$1.6 billion), as well as fromtheUS,Italy,andSingapore.TofosteranAtmanirbharBharatbyenhancingR&D,makein India product development, high value production capabilities, import substitution, and domestic manufacture of active pharmaceutical ingredients (API), the government has introduced a US$2 billion incentive programmer that will run from 2021–22 to 2027–28.

In2021,India anticipates thatthegreatbulkofitspharmaceuticalrevenueswillcomefromtheexport of its low-cost generic medicines. Medicines protected by patents are often imported. Some of the largest importers of APIs are the UnitedStates, Germany, Italy, and Singapore, while China is a major supplier (60% of volume valued at Rs. 2.4 billion). From 2021-22 to 2027-28, the government has introduced a US$2 billion incentive program with the aim of encouraging the growth of R&D, make in India product development and high-value production capabilities, import substitution, and domestic manufacture of active pharmaceutical ingredient (API)in order to promote an Atmanirbhar Bharat.AspartoftheMakeinIndiainitiative,theDepartmentofPharmaceuticalsannouncedin2019 that drugs destined for domestic use and export must contain 75% and 10% indigenous APIs, respectively, and a bill of materials must be provided for verification. India ranked third globally in terms of the overall value of its pharmaceutical exports throughout the period of 2018-2021. PharmaceuticalhubsinIndiamaybefoundinthecitiesofVadodara,Ahmedabad,Ankleshwar,Vapi, Baddi, Sikkim, Kolkata, Visakhapatnam, Hyderabad, Bangalore, Chennai, Margao, Navi Mumbai, Mumbai, Pune, Aurangabad, and Pithampur, starting in the country's northwest.

More than20,000 drug producers in India produced medications worth$9billionin2002.Over60% of the bulk pharmaceuticals were exported, primarily to the United States and Russia, while 85% of the preparations were sold within India. Only about 250 companies in India control 70% of the market, but they make up the vast majority of the industry's workforce. Multinational firms' once-dominant70percentmarketsharehasdroppedto35percentafterthePatentActof1970.TheIndian government established the Department of Biotechnology inside the Ministry of Science and Technology in 1986. Since then, several exemptions have been provided by both the federal government and specific states in order to stimulate the industry. The science minister of the Indian government has announced plans to build ten new biotechnology parks around the countryby2010. These parks would provide tax breaks and subsidies to new and existing enterprises in the biotechnology sector.

A variety of laws and regulations that govern the patenting, testing, safety, efficacy using drug testing and marketing of drugs. The global pharmaceuticals market produced treatments worth$1,228.45 billion in 2020 and showed a compound annual growth rate (CAGR) of 1.8%Mid-1800s–1945:From botanicals to the first synthetic drugs

The modern era of pharmaceutical industry began with local apothecaries that expanded from their traditional role of distributing botanical drugs such as morphine and quinine to wholesale manufactureinthemid-1800s,andfromdiscoveriesresultingfromappliedresearch.Intentional drug discovery from plants began with the isolation between 1803 and 1805 of morphine – an analgesic and sleep-inducing agent –from opium by the Germanapo the caryassistant FriedrichS ertürner, who named this compound after the Greek god of dreams, Morpheus.[4] By the late 1880s, German dye manufacturers had perfected the purification of individual organic compounds from tar and other mineral sources and had also established rudimentary methods inorganic chemical synthesis. The

development of synthetic chemical methods allowed scientists to systematically vary the structure of chemical substances, and growth in the emerging science of pharmacology expanded their ability to evaluate the biological effects of these structural changes.

By the 1890s, the profound effect of adrenal extracts on many different tissue types had been discovered, setting off a search both for the mechanism of chemical signaling and efforts to exploit theseobservationsforthedevelopmentofnewdrugs.Thebloodpressureraisingandvasoconstrictive effectsofadrenalextractswereofparticularinteresttosurgeonsashemostaticagentsandastreatment for shock, and a number of companies developed products based on adrenal extracts containing varying purities of the active substance. In 1897,John Abel identified the active principle as epinephrine, which he isolated in an impure state as the sulfatesalt. Industrial chemist Jōkichi Takamine later developed a method for obtaining epinephrine in a pure state, and licensed the technology to Parke-Davis. Adrenalin. Injected epinephrine proved to bee specially efficacious for the acute treatment of asthma attacks, and an inhaled version was sold in the United States until 2011 (PrimateneMist).By1929 epinephrine had been formulated into an inhaler for use in the treatment of nasal congestion.

While highly effective, the requirement for injection limited the use of epinephrine and orally active derivatives were sought. A structurally similar compound, ephedrine, was identified by Japanese chemists in the *MaHuang*plant and marketed by EliLillyas an oral treatment for asthma.

Following the work of HenryDale and GeorgeBarger at Burroughs-Welcome ,academic chemist Gordon Alles synthesized amphetamine and tested it in asthma patients in 1929. The drug proved to have only modest anti-asthma effects but produced sensations of exhilaration and palpitations. Amphetamine was developed bySmith, Kline and French asanasaldecongestantunder the trade name BenzedrineInhaler. Amphetamine was eventually developed for the treatment of narcolepsy, post-encephalitic parkinsonism, and mood elevation in depression and other psychiatric indications. It received approval as a New and Nonofficial Remedy from the American Medical Association for these uses in 1937,[8]and remained in common use for depression until the development of tricyclic antidepressants in the 1960s.

## 2. Review of Literature

**Rao Prakash, and JeevanNagarkar(2017)**: A New Approach Three Indian-owned pharmaceutical companies and three international pharmaceutical conglomerates were subjected to a quantitative research technique based on stock market outcomes and revenue statistics for the years 2011 to 2016. The Approach: Three Indian-owned pharmaceutical companies and three global corporations had their stockmarket performance eand revenuedata from 2011 to 2016 analyzed quantitatively.

**SharmaS.&KDharni, (2017)** Three Indian pharmaceutical companies and three international pharmaceutical conglomerates were subjected to a quantitative research technique based on stock market outcomes and revenue statistics for the years2011 to 2016. The research centered on analyzing the stock price performance of pharmaceutical businesses by comparing benchmark BSE movements.

As published in 2009 by SharmaN.L. and GoswamiS. Health care results in India and other develop in gand developed nations have been greatly improved because to the contributions of the Indian pharmaceutical sector. Many low-priced generic drugs have been developed by Indian pharmaceutical firms thanks to the companies' mastery of reverse engineering and synthetic organic chemistry. Indian pharmaceutical development has progressed since the adoption of the TRIPS agreement and the protection of product patents.

**JainMadhurRaj(2020)**Mixturetendenciescanbeseeninatechnicalanalysis of the top six pharmaceutical firms, which may help investors makepredictionsregardingthe future. Over a five-year period, the MACD and closing price curves followed each other in all six companies.The curve has been rather steady over time, with just a few brief downward dips. Sun Pharmaceutical Industries Ltd., Dr. Reddy's Laboratories Ltd., Cipla Ltd., and Cadila Healthcare Ltd.The Relative Strength Index curve shows significant volatilityandanopposingtrendtowardsanegativetrendinthemarketmostofthetimeduring a period of 5 years.

A.S. Suresh (2015) aimed to stress the significance of both fundamental and technical analysis. The author emphasized the need of understanding the country's macroeconomic climate and development, the outlook for the19 firm's industry, and the company's expected success ascorner stones of fundamental analysis. The author suggested using technical analysis methods like line charts, bar charts, point and figure charts, trend charts, moving average analysis, relative strength analysis, resistance and support levels, breakout theory, head and shoulders patterns, and double top and bottom formations to forecast stock prices

## 3. OBJECTIVESOFSTUDY

The objective of the study is to examine the overview of India‘s listed pharmaceutical companies.

## 4. Current perspective of Pharmaceutical Industry

- India'spharmaceuticalsectorispresentlyvaluedat$41.7billiondollars.
- India is a large exporter of pharmaceuticals, having pharma exports to over 200 nations.
- IndiasuppliesmorethanhalfofAfrica'sgenericsneed,40%ofgenericdemandintheUnited States, and 25% of all pharmaceuticals in the United Kingdom.
- India is also a major provider of DPT, BCG,and Measlesvaccinations,accountingfor60 percent of global demand.
- India supplies 70% of WHO vaccinations (as per the WHO's essential Immunization Schedule).
- In April, drugs and pharmaceuticals accounted for 5.15 percent of the country's overall exports. In the fiscal year 2021-22, the average index of industrial production of medicines, medicinal chemicals, and botanical goods was 221.6, up 1.3 percent.
- Since2013-14,Indian pharmaceutical exports haveincreasedby103percent,fromINR90, 415 crores in 2013-14 to INR 1,83,422 crores in 2021-22. The Pharma Sector's export performance in 2021-22 was the best it has ever been. Exports have increased by about $10 billion in the last eight years, a tremendous increase.

### 4.1 INTRODUCTION OF SUN PHARMA AND CIPLA Ltd.

**PHAMACEUTICALCOMPANIES:**

There are many pharmaceutical companies listed in India.In the present study, eight listed companies based on their highest revenue are considered for analysis.

**PHARMACEUTICALSECTOROFLISTEDCOMPANIESININDIA:**

| RANK | COMPANIES | MARKET CAP. (Rs.in Crore) |
|---|---|---|
| **1** | SunPharma | 248331 |
| **2** | Cipla | 90392 |

Table no. 1.1

### 4.1.1 SUNPHARMA

Sun Pharmaceutical Industries Ltd. (Sun Pharma) is the fourth biggest specialised generic pharmaceutical company in the world, with globalsalesofmorethanUS$5.1billion.Company over 40production sites, and company offer over 100 countries with affordable,effectivepharmaceuticals that have earned a solid reputation among both patients and doctors. Company manufacture and distribute a large selection pharmaceutical formulations for both long-term and immediate needs, reflecting the diversity of our specialty and generics portfolio. Products that fall within this category include those that are available with out a prescription, such as antiretrovirals(ARVs),as well as APIs, intermediates, and those that are very sophisticated or reliant on cutting-edge technology. Tablets, capsules, injectables, 7 inhalers, ointments, creams, and liquids are just some of the dosage forms available from our vast stock of over 2,000 compounds.

Sun Pharmaceutical Industries Limited (d/b/a Sun Pharma), headquartered in Mumbai, India, is a multinational pharmaceutical company that manufactures and sells pharmaceutical formulations and active pharmaceutical ingredients (APIs) to more than a hundred countries throughout the world. In terms of market share, it is the largest pharmaceutical firm in India and the world's fourth-largest specialty generic pharmaceutical industry. Among the many therapeutic areas that these products aim to treat are those of psychiatry, anti-invectives, neurology, cardiology, dialectology, gastroenterology, urology, ophthalmology,nephrology,urology,dermatology,gynecology,respiratory, cancer, dentistry, and nutrition. Some examples of its active medicines are baricitinib, brivaracetam, and dapaglifozin.

### 4.1.2. CIPLA LIMITED

Cipla Limited, or just Cipla, is a pharmaceutical giant with headquarters in Mumbai. Cipla is dedicatedtothedevelopmentofpharmaceuticalsforthetreatmentofawiderangeofconditions,such as arthritis, diabetes, depression, cardiovascular disease, and respiratory sickness. Cipla has 47 production sites in 16 different countries and sells its goods in 86 different countries. They are the third largest producer of pharmaceuticals inIndia. When8 Khwaja Abdul Hamied firstopened"The Chemical,Industrial&PharmaceuticalLaboratories"inMumbaiin1935,itwascalledCipla.They're all working towards the same objective, and it's helped us grow into a company with a presence in morethan80countriesandacatalogueofmorethan1,500medicinesoverdozensoftherapeuticareas and dozens of dosage forms. In an endeavor to make healthcare more widely available across the world, weare increasing our footprint in key markets such India, SouthAfrica ,the UnitedStates,and the economies of other emerging nations.

Cipla's mission for the past eight decades has be into improve patients'livesviatheir work.In2001, we offered a triple anti-retroviral medication for HIV/AIDS for less than a dollar per day in Africa, which is widely regarded as a watershed moment that helped to centre issues of affordability, accessibility, and inclusion at the centre of the HIV movement. Cipla is highly regarded as are liable partnerbyinternationalhealthgroupsandstakeholdersthankstoitslocalpresenceandcaringattitude to healthcare in service of its "Caring for Life" goal.

In 1985, the FDA authorized the business to sell HIV drugs in bulk to treat the poor in developing countries. Under the leadership of Yusuf Hamied, the founder's son and a Cambridge-educated chemist, the company sold generic AIDSand other pharmaceuticals to treat disadvantaged people in the developing globe. Cipla released Deferiprone, the first iron chelator for the diet, in 1995. Cipla released its HIV antiretroviral medication in 2001 at a price of less than $350 per patient per year.

In2013,CiplaacquiredtheCipla-Medpro company in SouthAfrica,keeping it as a subsidiary under

thenewnameCiplaMedproSouthAfricaLimited.Cipla-MedprowasadistributionpartnerofCipla's prior to the purchase and was the third biggest pharmaceutical company in South Africa. Enaleni PharmaceuticalsLtd.,thecompany'sformername,wasfoundedthatyear.In2005,Enaṇṇlenibought out Cipla-Medpro, a partnership between Cipla and the South African generics pharmaceuticals company Medpro Pharmaceuticals. It was rebranded as Cipla-Medpro in 2008. In September 2015, Ciplapaid$555million to acquire the American pharmaceutical companiesInvaGenPharmaceuticals and Exelan Pharmaceuticals.

Big Pharma has come to rely on Diva's as a "Reliable Supplier of generic APIs (Active pharmaceuticals ingredients)"and a"Trust worthy Custom Manufacturer"becauseofDivi's status as one of the world's leading API manufacturers. Divi's supplies the highest quality APIs (Active pharmaceutical ingredients), Intermediates, and Registered Starting Materials to over 150 countries. These products are produced in a compliant and honest manner. Divi's has come to popularity in recent years, becoming not just one of the leading API companies in Hyderabad, but one of the leading API manufacturers anywhere in the world. The 16,500 skilled professionals and 400 brilliant scientists at Divi produce unparalleled results. In the upcoming fiscal year (2021-2022), Divi's, a public limited company listed on the Indian stock exchange, anticipates sales of around $1.2billion. Multiple inspections of the Hyderabad and Vizag advanced manufacturing facilities have been conducted by the USFDA, EU GMP (UK, Slovenian, German, and Irish agencies), HEALTH CANADA, TGA, ANVISA, COFEPRIS, PMDA, and MFDS.

As a company, we strive to supply the pharmaceutical and nutraceutical sectors with the highest quality generic active pharmaceutical ingredients (APIs), custom-synthesized APIs 10 and intermediates,andnutraceuticalingredientsonaglobalscale.OurmissionatDivi'sistobeasocially conscious company that serves its local community as well as the globe at large via our various charitable endeavours.

**4.1.3 History**

Cipla was founded in Mumbai in 1935by Khawaja Abdul Hamied as the**Chemical, Industrial & Pharmaceutical Laboratories**. In July 1984, the name of the company was changed to 'Cipla'.

Upon Hamade's death in 1972, his son Yusuf Hamied, a Cambridge-educated chemist, took over the company.

A. In1995, Cipla launched Deferiprone, the world's first oralironchelator.
B. In 1999, Cipla joined the Indian Pharmaceutical Alliance as a founding member in an effort to promote the development of generic drugs in India.During the AIDS epidemic in the early2000s, Hamied reverse-engineered a three-drug antiretroviralmedication that was sold forabout$12,000peryeartocreateacheaperversionthatsoldfor$304peryear.Thisdrug was sold to African charities and governments. It is estimated that "at one time, as much as 40 percent of the AIDS patients in poor countries took Cipla drugs".
C. During the avian flu pandemic in2006, Cipla was able to reverse-engineer the drug Tamiflu and sell it for significantly lower prices.
D. In 2013 Cipla acquired the South African company Cipla-Medpro. Its name was changed to Cipla Medpro South Africa Limited and was kept as a subsidiary.At the time of the acquisition, Cipla-Medpro had been a distribution partner for Cipla and was South Africa's third-biggest pharmaceutical company.The company had been founded in2002underthe name Enaleni Pharmaceuticals Ltd.In 2005, Enaleni bought all the shares of Cipla-

Medpro,whichhadbeenajointventurebetweenCiplaandMedproPharmaceuticals,aSouth African generics company; in2008,itchangeditsnametoCipla-Medpro.InSeptember 2023, it was announced Cipla South Africa had acquired the Midrand-headquartered healthcare products manufacturer, Actor Pharma.

E. In September 2015, Cipla acquired InvaGen Pharmaceuticals and Exelan Pharmaceuticals, two American pharmaceutical companies, for 555 million dollars.

In2019Ciplaentered digital the rapeutics by partnering with Wellthy Therapeutics in India and Brandmed in South Africa.

**4.1.4 PHARMACEUTICALSECTOROFLISTEDCOMPANIESININDIA:**

| RANK | COMPANIES | MarketCap. (incr.rs) |
|---|---|---|
| 1 | Sunpharma | 248331 |
| 2 | Ciplalimited | 90392 |
| 3 | Divi's laboratories | 89739 |
| 4 | Dr.Reddy'slaboratories | 75341 |
| 5 | TorrentPharmaceutical | 54931 |
| 6 | AbbottIndia | 43057 |
| 7 | Zyduslife sciences | 42062 |
| 8 | Alkemlaboratories | 37352 |

**4.5 ADVANTAGESOF THEPHARMACEUTICALINDUSTRY**

India's low-cost production, talented workforce, and infrastructure continue to make it a bright spot in the international pharmaceuticals business. These outstanding characteristics have propelled India to the for efront of the generics manufacturing industry. Further more, the country has a sizable domestic market, which contributes to its global pharmaceutical dominance. All of these characteristics have made India desirable estimation for pharmaceutical companies seeking to outsource their products. Here are some of the advantages of India's cheap pharmaceutical costs.

- Large Market -The demand for western pharmaceuticals has skyrocketed, resulting in more collaboration between Indian manufacturing centers and Western corporations. Western corporations are attempting to meet the rising demand, and India has emerged as a preferred place for such collaborations. India's domestic industry is large, and Indians may obtain vital generic medications at lower prices, which helps to support the market.
- Low Cost -Because of the country's pharmaceutical industry's dexterity, India has a large number of well- trained chemists as well as a large market. Given that India is one of the main makers of generic medications, this is one of the reasons why drugs are so inexpensive in India. This allows Indians to obtain quality health care and purchase pharmaceuticals from reputable pharmacies. India's government has also taken a number of steps to guarantee that its residents have access to affordable pharmaceuticals, including operating its own drug shop network. The government is also collaborating with other small and medium-sized drug makers to keep the momentum going in the production of high-quality, low-cost generic medicines. In terms of manufacturing, the cost of establishing a fully FDA-inspected plant in India is on average 50% less than in industrialized countries. When compared to industrialized countries, productionandoperationexpenseshavebeenshowntobe40-70percent cheaper. India's labours expenses are typically 60-70 percent lower than those in wealthy countries.

- Intense Growth and Competition -Due to intensive competition and the rise of pharma manufacturing companies in India, drug prices have remained low. The country's improved medical infrastructure, the emergence of new markets, increasing chronic disease diagnosis, and the launch of patented products have all contributed to this expansion. Other advantageous variables like a sin expensive labor, affordable equipment, competitive property rates, and low-cost utilities enable the country to manufacture low cost pharmaceuticals.property rates, and low-cost utilities enable the country to manufacture low cost pharmaceuticals.
- Upgraded Manufacturing –Plants Pharma manufacturing businesses in India have made major expenditures in updating their factories to meet international standards, according to the pharmaceuticals sector in India. According to are search published by Deloittein 2015, manufacturing units in India have met FDA guidelines.

## 5. Challenges for the Pharmaceutical Industry

- The challenge posed by India's frequent and unexpected domestic pricing policy changes is a lack of a stable pricing and policy environment .It has created a hazy atmosphereinwhichtoinvestandinnovate.TheIPArecommendsthatthegovernment and stakeholders collaborate to develop a strategy for producing affordable medications for Indian patients.
- Lackofinnovationcapabilities—Indiahasawealthofpersonnelandtalent.To boost India's innovation, the government must invest in research initiatives and people. Clinical trials should be supported by the government, and subjectivity in regulatory decision-making should be eliminated.
- Market exporting of generics the success of generic exports to the United States has begun toplateauduetopriceattrition.Thismarketisbeginningtodiminishasaresult of growing buyer consolidation and increased competition.
- External market impact India is significantly reliant on other countries for active pharmaceutical ingredients (API) and other intermediates, according to reports. Chinese APIs account for 80% of all APIs. As a result, India is vulnerable to supply disruptions and unpredictably fluctuating prices. Infrastructure improvements in the field of internal facilities are required to maintain supply stability.
- Quality compliance investigation—India has had the largest number of Food and Drug Administration(FDA)inspectionssince2009;asaresult,continuingto invest i n improving quality standards will divert cash a way from other areas of development and growth.

## 6. CONCLUSION

pharmaceutical companies, including detailed assessments of Sun Pharma and Cipla, several key insights After a comprehensive examination of the fundamental and technical analysis of India's listed and conclusions emerge.

1. **Industry Growth and Economic Health:** The pharmaceutical sector in India has exhibited robust growth over the years, as evidenced by increasing sales revenues and net profits for both SunPharma and Cipla. This growth under scores the industry's resilience and its critical role in supporting public health infrastructure and economic development.
2. **Financial Performance and Operational Efficiency**: Both Sun Pharma and Cipla have demonstrated commendable financial performance and operational efficiency. Despite fluctuations in certain metrics, such as EBIT and net profit, both companies have maintained overall positive

trends in revenue, profitability margins, and return ratios. This indicates effective cost management, strategic investments, and a strong market position.

3. **Balance Sheet Strength and Liquidity**: Analysis of the balance sheets of Sun Pharma and Cipla reveals sound financial health, characterized by manageable debt levels, sufficient liquidity, and adequate capital reserves. The companies have maintained stable capital structures, ensuring resilience against economic uncertainties and enabling strategic growth initiatives.
4. **Investor Perception and Valuation**: Valuation ratios and market sentiment metrics suggest varying investor perceptions of Sun Pharma and Cipla. While both companies have demonstrated consistent growth and profitability, market dynamics and future growth prospects influence their respective valuations. Despite fluctuations, the companies' strong fundamentals and strategic positioning bode well for long-term investor confidence.
5. **Strategic Direction and Growth Potential**: The financial data and analysis provide valuable insights into the strategic direction and growth potential of Sun Pharma and Cipla. Both companies have shown resilience in the face of challenges, adapting to evolving market conditions and regulatory landscapes. Continued investment in research and development, expansion into new markets, and diversification of product portfolios are key drivers of future growth and sustainability.

In conclusion, the study affirms the strength and resilience of India's pharmaceutical industry, with SunPharmaandCiplaemergingasprominentplayerswithrobustfinancialperformanceandstrategic positioning. While challenges persist, including regulatory uncertainties and competitive pressures, both companies are well-equipped to navigate these challenges and capitalize on emerging opportunities. As pillars of innovation, healthcare delivery, and economic growth, Sun Pharma and Cipla exemplify the potential of India's pharmaceutical sector to drive positive social impact and shareholder value in the years ahead.

## 7. SUGGESTION

**1. Diversification of Product Portfolio**:

Both companies should focus on diversifying their product portfolios across different therapeutic areas to reduce dependency on specific drugs or markets.

Sun Pharma could explore expanding its presence in areas where Cipla has a strong foothold, and vice versa, through strategic partnerships or acquisitions.

**2. Investment in Research and Development**:

Both companies should continue investing in research and development to drive innovation and develop new drugs with high market potential.

Sun Pharma and Cipla could collaborate with academic institutions or biotechnology firms to access cutting-edge technologies and accelerate drug discovery processes.

**3. Global Expansion**:

Given the increasing competition and regulatory challenges in their domestic markets, both companies should focus on expanding their global footprint.

Sun Pharma and Cipla could target emerging markets with growing demand for pharmaceutical products, leveraging their manufacturing capabilities and distribution networks.

**4. Cost Optimization**:

Both companies should prioritize cost optimization initiatives to improve profitability and operational

efficiency.

Sun Pharma and Cipla could streamline their supply chains, optimize manufacturing processes, and rationalize overhead expenses to enhance their margins.

**5. Digital Transformation**:

Embracing digital technologies can help both companies enhance customer engagement, optimize sales and marketing efforts, and improve operational agility.

Sun Pharma and Cipla could invest in digital platforms for healthcare professionals and patients, leveraging data analytics to personalize medical solutions and improve patient outcomes.

**6. Corporate Social Responsibility (CSR)**:

Strengthening their CSR initiatives can enhance brand reputation and foster goodwill among stakeholders.

Sun Pharma and Cipla could focus on initiatives related to healthcare access, education, and environmental sustainability to make a positive impact on society while contributing to long-term business sustainability.

**7. Risk Management**:

Both companies should proactively identify and mitigate risks associated with regulatory compliance, intellectual property rights, and geopolitical factors.

Sun Pharma and Cipla could establish robust risk management frameworks, conduct regular audits, and stay abreast of regulatory changes to minimize potential disruptions to their operations.

**REFERENCES:**

1. Chakraborty, K. (2008). Working Capital and Profitability: An Empirical Analysis of Their Relationship with Reference to Selected Companies in the Indian Pharmaceutical Industry, Thelcfai Journal of Management Research, Vol. 34.
2. Siddharth, M.R. & Das, G... (March 1994). "Working capital turnover in Pharmaceutical companies". The management accountant, 151-153.
3. Singh, P.K... (July 2004). Working capital management in Lupin laboratories Ltd.- A case study. The management accountant, pp 534-539.
4. Shirur, S. (2013). Are Managers Measuring the Financial Risk in the Right Manner An Exploratory Study. VIKALPA, 38(2), 81-94.
5. Suresh, A. S. (2013). A study on fundamental and technical analysis. International Journal of Marketing, Financial Services & Management Research, 2(5), 44-59.
6. Sharma, S. and Dharni, K. (2017), "Intellectual capital disclosures in an emerging economy: status and trends", Journal of Intellectual Capital, Vol. 18 No. 4, pp. 868-883.
7. Sharma, N.L. and Goswami, S. (2009), "The nuances of knowledge creation and development in Indian pharmaceutical industry", Journal of Knowledge Management, Vol. 13 No. 5, pp. 319-33
8. Sheela, S.C. and Karthikeyan, K. (2012), "Financial performance of pharmaceutical industryin India using DuPont analysis", European Journal of Business and Management, Vol. 4 No. 14, pp. 84-91.
9. Smriti, N. and Das, N. (2017), "Impact of intellectual capital on business performance: evidence from Indian pharmaceutical sector", Polish Journal of Management Studies, Vol. 15 No. 1, pp. 232-243.
10. Thachappilly, Gopinathan. (2009). "Liquidity Ratios Help Good Financial Management: Liquidity

Analysis reveals likely Short-Term Financial Problems". Journal of liquidity ratio analysis.

11. Parasuraman, N.R., (December 2004). Working capital practices in leading pharmaceutical companies- A view of the credit policy & profitability, The management accountant, 39(12), 1998-1005.