



Cipla



**SUN
PHARMA**

Pharmaceutical Industry

Company Analysis

- *Cipla*
- *Sun Pharma*

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Overview

Cipla

VS

Sun Pharma

Cipla Limited is an Indian multinational pharmaceutical company, **headquartered in Mumbai, India**. Cipla primarily develops medicines to treat respiratory, cardiovascular disease, arthritis, diabetes, weight control and depression; other medical conditions.

In FY 19-20, Cipla's overall domestic business contributed to 39% of the global revenues.

Today, Cipla is the 3rd largest pharmaceutical company in India. It has a presence in countries viz. USA, Europe, Australia, Sri Lanka, and many more.

Sun Pharmaceutical Industries Limited (Sun Pharma) is an Indian multinational pharmaceutical company **headquartered in Mumbai, Maharashtra**, that manufactures and sells pharmaceutical formulations and active pharmaceutical ingredients (APIs) primarily in India and the United States. Sun Pharma has a presence in more than 100 countries across the globe. It is the largest pharma company in India and the **fourth largest speciality generic pharmaceutical company in the world**

CSR Initiative

Cipla

VS

Sun Pharma

Cipla Foundation works across **four key CSR focus areas – health, skilling, education and disaster response – in India and South Africa.**

Setting up / Developing infrastructure for schools, Arranging training and awareness programmes for adolescents,

Promoting e-learning, Enhancing, reading culture and Awarding scholarships for meritorious/needy students are some of the main CSR initiatives.

Furthermore, it also helps in Promoting environmental sustainability and Promoting the use of Renewable Energy Resources

CSR efforts of Sun pharma are focused on **serving and helping needy and underprivileged communities.** Other priority areas include **health, education, drinking water and sanitation.**

Malaria Elimination

Malaria Elimination Demonstration Project (MEDP) is a first-of-its-kind Public-Private partnership by Sun pharma.

Mobile Healthcare Units

Mobile Healthcare Units (MHUs) deliver primary healthcare services to over 650,000 people located around areas close to the company's manufacturing plants and other establishments.

Model School Development

Development of model schools in and around the served communities, enabling and empowering rural school students to access and enjoy equal educational and development opportunities.

Future Prospects

Cipla

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Sun Pharma

Cipla aims to be a **digitally agile company**.

Cipla is embarking on a strategic '**Reimagination**' journey, which aims to create multiple dimensions of automated equipment, data-driven decision making and performance enhancements and create a digitally native organization with at-scale digital analytics capabilities.

Kedar Upadhye is leading a transformational journey at Cipla to shape the future and bring greater inclusiveness, accessibility and affordability in healthcare.

Sun Pharma will continue to focus on growing business faster than the market.

The company's strategy of developing the Specialty business as an additional growth engine has started delivering, with a gradual ramp-up in speciality revenues.

Supply chain protection, ensuring optimum utilisation of the factories and working closely with vendors to ensure continuity of supply are the key focus areas of the company.

USP

Cipla

VS

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Following are the Opportunities in Cipla SWOT Analysis:

1. It can venture into Alzheimer's disease medication
2. They can use Viramune generic to achieve higher growth.
3. Increased investment in the budding markets, to push expansion in the global economy.

USP:

Commitment to make medicines affordable and accessible particularly to cancer patients.

Following are the Opportunities in Sun Pharma Industries SWOT Analysis:

1. They can leverage their acquisitions to further increase the growth
2. They can increase their presence in contract manufacturing
3. Increasing healthcare awareness in India

USP:

It manufactures and sells pharmaceutical formulations and APIs at affordable rates and is one of the biggest players in the market.

Marketing Strategies

Cipla

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Sun Pharma

- **Product strategy** -Cipla is one of the leading pharmaceutical companies based in India. Cipla offers a vast and **varied range of products and medicines** in its marketing mix product portfolio
- **Price/Pricing Strategy:-Below is the pricing strategy-** Cipla is the leader in India in healthcare companies, faces limits through tough competition and envisions to provide affordable health facilities accessible by all.
- **Place strategy-** Cipla has its presence in **100 countries** with a wide distribution network (with 6500 distributors in India) with products being available easily at medical stores and production facilities.
- **Promotion strategy-** The tagline of Cipla “**Caring for Life**” has become its mission



- **Product strategy** -Sun Pharma is a leading manufacturer of both **pharmaceuticals and active pharmaceutical ingredients** (API). Sun Pharma has been catering to various therapeutic sectors inclusive of neurology, diabetology, psychiatry, cardiology, respiratory etc.
- **Price/Pricing Strategy-**Sun Pharma has always tried to maintain a reasonable pricing strategy to meet the needs of the local people.
- **Place strategy-**Sun pharma is one of the leading pharmaceutical industries spreading its business worldwide. **It has around 19 manufacturing plants on almost 6 continents.**
- **Promotion strategy-**Sun Pharma follows a **very strong promotional and marketing activity** in its marketing mix and focuses on reaching customers everywhere. Their Tagline depicts the intentions of the company and attracts the people its mission

Financials

Evaluation Criteria

Cipla

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Market Capitalization

₹ 750.72B

₹ 2.04T

No. of Investments

3 Investments
with 1 exit

3 Investments
with 2 exit

Valuation

₹ 637.24 Billion

₹682.52 billion

Acquisitions

6 Organisations

6 Organisations

Total Assets

₹ 19927.56 cr.

₹ 31525.70 cr.

Highlights

Cipla

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Sun Pharma

Cipla is trying to **resolve its conflicts** with the major companies by acquisition, in order to increase its market growth and capitalisation.

Cipla's 'core' areas show a certain decline during the covid period as a result the company is looking to revamp its strategy in order to get back on track especially in the US.

Cipla has Contributed over 40% to total revenues, in drug sales and domestic market sales grew 16% on a high base of Covid-led drug sales.

Sustained growth in the company's core therapies such as respiratory and urology compensated for the normalising contribution of the Covid portfolio.

Sun Pharma Q2 results have shown **positive results and outcomes indicating great growth** and stabilized market over a period of time and even during the pandemic time.

The drugmaker reported a 12.5 per cent in its consolidated revenue from operations t for the reported quarter, which was also above Street's estimate.

Sun Pharma looks at acquisitions in US, Europe & emerging markets

The managing director of Sun Pharma told analysts at the company's earnings call that the drugmaker is interested in bolt-on acquisitions in emerging markets, small to medium size businesses in Europe.