An Organization Study Report of Medreich Pvt.Ltd

(18MBAOS307)

BY

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Submitted to

VISVESVARAYA TECHNOLOGICAL UNIVERSITY, BELAGAVI

In partial fulfillment of the requirement for the award of the degree of

MASTER OF BUSINESS ADMINISTRATION

Under Guidance of

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Batch - 2019-21

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CERTIFICATE BY THE INSTITUTION

This is to certify that **Mr. SHIVAKUMAR D N** bearing **USN 1CY18MBA46** is a bonafide student of Master of Business Administration of our Institution during 2018-20 batch. The organization study report of **MEDREICH PVT. LTD,** is prepared by him under the guidance of **Dr. Prakash B. Yaragol,** Professor, in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, affiliated to Visvesvaraya Technological University, Belagavi Karnataka.

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DECLARATION

I, **Mr. Shivakumar D.N.** bearing **USN 1CY18MBA46** hereby declare that the organization study conducted at **Medreich Pvt Ltd** is record of independent work carried out by me under the guidance of **Dr.Prakash B. Yaragol.** faculty of M.B.A Department of CMR Institute of Technology, Bengaluru. I also declare that this report is prepared in partial fulfillment of the university Regulations for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi. I have undergone an organization study for a period of four weeks. I further declare that this report is based on the original study undertaken by me and has not been submitted for the award of any degree/diploma from any other University /Institution.

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Place:
Date: 28/9/2020

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Mr. Shivakumar D.N.

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Medreich is a fully integrated pharmaceutical company with an established presence across the globe. The company is involved in the CMO & CDMO business of pharmaceutical preparations in various dosage forms catering to diverse Therapeutic categories.

Medreich has an advanced state of the art Research and Development centre with proven scientific competence to develop formulations as Patent Non-infringing and Niche generics in differentiated dosage form for global regulated markets.

Medreich has in house capability to ensure regulatory compliance in regulated markets across the globe.

The company is manufacturing formulations in various dosage forms for MNC's like GSK, Pfizer, Sanofi, Novartis, Mylan, Apotex, Adcock Ingram and many other customers across 55 countries in key markets of Europe, Australia & New Zealand, Canada, Japan, Far East Asia, GCC, Africa, LATAM and CIS.

With more than 3000 employees worldwide, Medreich is providing a strong platform to its employees to learn, contribute and grow and is committed to providing quality medicines to patients world over to make their lives healthier.

In the year 2015 Medreich achieved the transformational milestone in its 40 years of existence and became part of Meiji Group a leading Japanese conglomerate listed on Tokyo stock exchange and having business interests across the globe in Pharmaceuticals, food and nutrition products.

Chapter-1

INTRODUCTION ABOUT INDUSTRY AND ORGANIZATION

1.1. Industry Profile.

The Company provides solutions to global pharmaceutical customers, offering a wide range of products & services. Medreich Pharma , is engaged in manufacture and supply of APIs, Solid Dosage Formulations, Radiopharmaceuticals, Allergy Therapy Products and Contract Manufacturing of Sterile and Non-sterile products through six USFDA approved manufacturing facilities in India, USA and Canada.

The Company's success is an outcome of extensive research and development in the pharmaceutical space, which enabled it to move up the pharmaceutical value chain for products and services across geographies. Medreich has been constantly investing in various growth platforms thereby promoting a culture of innovation.

At Medreich Pharma, it is constant endeavours to improve the products and processes, to elevate the quality of production and cost competitiveness and to build value for its customers. The Company has amplified the business by building capabilities internally, through strategic expansions and acquisitions, thereby, developing network of world class manufacturing facilities in India (two) and in North America (four). Headquartered in Singapore it has a dedicated team of around 4300 people across the globe and has extended its reach globally with ground presence in India, North America and Europe.

Medreich may be the largest Indian pharmaceutical firm in terms of market capitalisation a japan-based company with a turnover of Rs 1,130 crore, has emerged as one of the fastest-growing, listed drug companies in the country.

Medreich Pharma's progress in diverse businesses is a result of extensive R&D. Innovation at Medreich is backed by strong chemistry, bio science expertise and the panoptic knowledge acquired over the years. The Company has strengths in R&D through a strong scientific team, modern facilities, and command over affordable technologies and economies of scale into a synergistic organic entity, thereby, continuously developing and nurturing high quality products and technologies.

The pharmaceutical industry is responsible for the development, production and marketing of medications. Thus, its immense importance as a global sector is inarguable. In 2014, total pharmaceutical revenues worldwide had exceeded one trillion U.S. dollars for the first time. North America is responsible for the largest portion of these revenues, due to the leading role of the U.S. pharmaceutical industry. However, as in many other industries, the Chinese pharmaceutical sector has shown the highest growth rates over previous years**.**

1.1.2 Indian Perspective

Formed in 1976, Medreich is a fully integrated pharmaceutical company with an established global presence. Its client base spans 55 countries and includes a who's who of multinational pharmaceutical firms. The company manufactures and markets products for therapeutic categories that include cardiovascular, diabetic, antifungal, penicillin, respiratory, and many others. The company has seven manufacturing facilities in Bangalore and one in Hyderabad. Two sites are dedicated to β-lactam (amoxicillin) formulations, one to cephalosporin. The others, including Unit VII, Medreich's recently completed Bangalore facility, are dedicated to general (nonpenicillin) dosage formulations. Once full production goes online in late 2016, Unit VII will be capable of producing nine billion tablets and capsules annually.

Medreich Limited's Cutting-Edge Automation System Is a First in India article was published in the November/December 2016 edition of Pharmaceutical Engineering® magazine. Producing nine billion tablets and capsules a year is almost always a time- and resource-intensive process. Manufacturing employees must often spend time moving raw materials to manufacturing or taking packaged materials to storage instead of focusing on their core responsibilities. To resolve these issues, India's Medreich Limited adopted a unique and innovative approach to material storage and retrieval at its new facility in Bangalore.

Medreich Limited is an unlisted public company incorporated on 16 August, 1973. The total paid-up capital is INR 40.16 cr. The company also has secured loans in the amount of INR 280.00 cr. The last reported AGM (Annual General Meeting) of the company, per our records, was held on 27 September, 2017. Also, as per our records, its last balance sheet was prepared for the period ending on 31 March, 2017.

In line with Medreich's persistent focus on sustainability of business, it strives to improve stakeholder value through improved eco-efficient use of capital and natural resources. In the

Company’s approach to sustainable development, the stress is laid on the triple bottom line of - Economics, Environment and Social performance. Medreich Pharma has also pledged towards working on various areas for energy conservation and climate change mitigation.

Besides for they are core pharmaceutical business in Japan, we are an integrated supplier with strong presence across the entire value chain from key Pharma Intermediates to Active Pharmaceuticals Ingredients (APIs) to formulations to biopharmaceuticals. We are also actively engaged in R&D activities of our customers and offer Contract Research and Manufacturing Services (CRAMS) to pharmaceutical companies worldwide.

Utilizing over 15 years of experience and success in the API industry, MEDREICH Pharma has created a customized and unique project management team, designed to fulfill they are customers' requirements with the highest quality products according to client timelines, specifications and regulatory requirements.

They are new and improved Product Support Team composed of highly trained sales personnel, scientists and market researchers, who work closely with they are approved GMP partner manufacturers and CRAMS organizations to successfully develop products from the earliest conception stage up till product commercialization.

CHAPTER 2

ORGANIZATION PROFILE

2.1 Background

Medreich is a fully integrated pharmaceutical company with an established presence across the globe. The company is involved in the CMO & CDMO business of pharmaceutical preparations in various dosage forms catering to diverse Therapeutic categories.

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Medreich is providing a strong platform to its employees to learn, contribute and grow and is committed to providing quality medicines to patients world over to make their lives healthier. In the year 2015 Medreich achieved the transformational milestone in its 40 years of existence and became part of Meiji Group a leading Japanese conglomerate listed on Tokyo stock exchange and having business interests across the globe in Pharmaceuticals, food and nutrition products.

2.2 Nature of Business

Medreich Plc, United Kingdom

Medreich started its business in the UK as a contract manufacturer in 1999. Over a period of time, Medreich developed and registered various dossiers in UK and has close to 130 licenses. These licenses are actively utilized to sell Medreich products in the UK, either in they are own livery or in the livery of some of the key leading generic distributors in the market. Various

products are under development and registration for Day 1 launch and Niche segments. We established a UK MHRA approved State of the Art Packing Lines and QC testing laboratory in Feltham, London along with Warehousing facility to cater the expanding demand of business in the European Region. The Business Development, Sales and Marketing, Regulatory & Logistics team based out of London work closely with the local and European customers

Adock Ingram Limited, India – Joint Venture

In the year 2007 Medreich entered into a joint venture with Adcock Ingram South Africa and established a State of the Art Manufacturing Facility in Bangalore to Manufacture & Supply Solid dosage forms. This Joint Venture Company manufactures products for both the JV partners for various markets.

Medreich Australia Limited, Australia

Medreich is present in Australia & New Zealand Market for over a Decade. They are Plants have been audited and approved on a number of occasions by TGA. Various Dossiers have been developed and registered for the Australia & New Zealand markets in the Prescription, OTC and Complementary segment, and more are in the pipeline. Medreich has been working with majority of MNC's and other local Key players on CMO/CDMO model. The Business Development, Regulatory and Customer Service Team based out of Sydney works closely with the local customers.

Medreich East Limited, Hongkong

Medreich is present in Hongkong and Macau for over a decade. Close to 60 SKUs are registered in Hongkong. Medreich has a complete Sales and Marketing setup along with Regulatory capability for Hongkong which promotes they are products and Fleming is one of they are Flagship brand.

Pharmazen Medicals Limited, Singapore

Pharmazen has been present in Singapore for over a Decade. We have a fully functional Sales and Marketing office which operates in the local Singapore market selling both the Pharmaceutical and the Nutritional products.

2.3 VISION AND MISSION

VISION:

As we stretch ourselves globally, they are success depends on the strengths of they are local partnerships. To be one of the top 5 players in Indian Healthcare Industry with a strong international presence by delivering the best quality and environment friendly products at affordable prices.

MISSION:

Winning together is about working together as a team focused on clearly agreed objectives.

What makes Medreich a winning company is its people power.

- Creativity leads to innovation which lays the foundation for success.
- Innovative and updated technology to produce the best quality products.
- Utmost care for employees, customers and the society we live in.
- Respect the employees and their contributions at workplace.
- Committed to the highest standards of ethics and integrity.

2.4 Product And Service Profile

- **Product**

PRODUCT LIST

ormulation / dosage	Category	Product
Capsule	Antibacterial	Amoxicillin
		Amoxicillin + Clavulanic acid
	Antipsychotics	Aripiprazole
		Orodispersible Tablets
	Antihypertensive	Atenolol + Nifedipine
		Celecoxib
Tablets	Antibacterial	Cefpodoxime Proxetil
		Ceftriaxone Sodium
	Antibiotic	Clarithromycin
		Flucloxacillin
	Antidiabetic	Gliclazide
		Hydroxyzine
ric Coated Table	Antiinflammatory	Naproxen
		Nebivolol
	Antirheumatic	Naproxen
		Nitrofurantoin
	Antidepressants	Nortryptiline
		Nizatidine

2.4.1 Product Manufacturing

With they are long history as a pharmaceutical manufacturer, every project at Medreich receives the highest quality with the greatest efficiency and speed possible. We proudly

provide uncompromising performance backed by intellectual distinction, top of the line equipment and state of the art processing.

Medreich provides cGMP manufacturing for Bio Batch products, including tablets & capsules. We are capable of producing batch sizes ranging from a few thousand units to over a million units per batch.

Medreich R&D has a strong team for the design execution and analysis of Bioavailability and Bio equivalence studies.

The BE team work closely with the Formulation, Analytical and Regulatory teams for the designing and execution of the Bio equivalence studies and compilation of the Dossiers. We also co-ordinate with various National and International Clinical Research Organizations inspected by regulatory agencies like USFDA, UK MHRA, WHO, ANSM, ANVISA with their experts and project management team for the timely execution of the Bio equivalence studies. We are responsible for the complete Bio-pharmaceutics, Clinical Pharmacology and Pharmacokinetics review. Every year we conduct sizeable number of studies. Various types of study designs are adopted depending upon the complexities of the drug product for the conduct of the pilot and pivotal studies. The commonly adopted study designs are Single dose two – way crossover studies, Partial and fully replicated studies and Multiple dose studies.

The team is involving from designing stage till the end of the studies.

- Site selection and the site Audit
- Investigational Protocol design, CRF design and informed consent design.
- Statistical plan, size sample calculation.
- Monitoring and Audit of Clinical and Bio analytical phase of the studies.
- Review of Data statistic analysis and Bio equivalence analysis.
- Compilation and review of the Non-clinical and Clinical section.

Bio equivalence studies are conducted for various oral dosage forms. All the Bio equivalence studies are conducted according to the ICH and as per the pertinent regulatory guidelines and as per the Current Good Clinical Practices and Good Laboratory practices.

2.4.2 Packaging Design & Development

Medreich Packaging team is continuously working to preserve the quality, potency and safety of the pharmaceutical products through the intended shelf life. The team develops primary and secondary packaging complying with all the customer and regulatory requirements for various dosage forms like Tablets, Capsules, Oral solutions/suspensions, Syrup, Injectables, Sachets and Ophthalmic preparations.

Medreich has dedicated packaging capability which can handle different type of packing configurations like blisters (handling PVC/PVDC/ACLAR, PP & Alu- Alu), blister in pouch, tropical blister, strip, child resistant blister, bottle with CRC & screw cap, injectables followed by automated secondary packaging which also supports pharma code reading, anti-counterfeit features meeting customer and country specific requirements.

Artwork and labeling functions are an intrinsic part for the supply of a pharmaceutical product, and are fully capable to meet customer and regulatory requirements. The packaging team is equipped to handle numerous artworks with the concept of Right First Time with project management, repository management with version controls. The team has capability of designing packaging with both overt and covert anti-counterfeit features.

We work closely with they are customers to gather inputs while developing and finalizing its packaging case, pallet specifications & containerization to maximize efficiency and utility at all stages of the product supply chain.

2.4.3 Commercial Manufacturing

Seven State of the art manufacturing facilities complying with stringent Regulatory and EHS requirements of several developed markets.

The Facilities are approved by various Regulatory authorities including UK MHRA, TGA AUSTRALIA, HEALTH CANADA, PMDA Japan, MFDS south Korea, MCC SOUTH AFRICA, GCC, PICS compliant and ROW markets of Africa and Latham.

All the manufacturing facilities have unidirectional flow of man and materials movement and capable to manufacture various dosage forms like Tablets, Capsules, Dry Powders for suspensions, Dry powder for Injections etc… under stringent GMP environment conditions. The facilities are equipped with latest equipment’s to manufacture the products as per the international Regulatory standards.

All the units operate under Quality Management System (QMS) as per International guidelines and eQMS system has been implemented to facilitate the QMS for continuous improvement.

All plants have Independent full-fledged Quality Control Laboratories which consists of instrumentation, chemical, microbiological and packaging material testing sections. Quality control operations are handled through Quality Laboratory Management System (QLMS) enabling direct capture of data from the equipment to reduce human intervention and errors.

Dedicated storage areas are in place for raw materials, packing materials and finished goods as per the storage condition requirements. Two stability centers equipped with walk–in chambers to perform stability studies for all the Zones as per ICH guidelines. The entire operations from the customer order entry till the dispatch of finished goods is on SAP platform.

Environment Health and Safety (EHS) measures are in place as per global standards. Facilities are equipped with Effluent Treatment Plant, Fire hydrants system, Emergency Response plan, to provide a safe and healthy working environment. Dedicated Operational Excellence team (OE) in place for continuous improvement through tools like Six Sigma, Kaizen etc..

➢ Service Profile

2.4.4 Analytical Services

Medreich's analytical group has a diverse background in analytical method development and in-depth understanding of all facets of the drug development process. As your strategic development partners, we design detailed protocols for method development, validation, and technology transfer based on the product's phase in the drug development process.

2.4.5 Analytical capabilities:

- Characterization of API
- Analytical Method Development
- Impurity Profiling
- Solubility Studies
- Dissolution Studies/Dissolution Method Development
- Multi-media Dissolution

- Diffusion studies
- Polymorphic studies
- Photo stability/Stability Studies as per ICH guidelines

2.4.1 Proof of Concept

New ideas for novel drug delivery dosage form services being offered through broad spectrum technology platforms. They are development models for PoC studies are widely recognized for speed, precision, innovation with scalable feasibility for the full spectrum of studies.

Based on the client needs and regulations, R&D team evaluate number of technology parameters for the development and manufacturing capabilities of specific API / salt /polymorphic form (active pharmaceutical ingredient) dosage forms using significantly smaller scale R&D batches.

As a Pharmaceutical Company we are socially responsible and conscious about the interest of all the key stakeholders and involving community at large in general. We aim to work harder to win and retain their trust. The involvement plan has been created with an objective of meeting socio economic, healthcare, Environment Health and Safety requirements of local community with significant engagement initiatives in such a way to give priority to be a responsible Corporate.

Medreich believes in the policy of providing healthcare and more specifically preventive healthcare that is beneficial to the needy of the society who cannot afford expensive medical treatment at large, by providing timely and advanced healthcare and other medical facilities to all in its local area of operation with a vision to create an environment which enables to execute the diction HEALTH FOR ALL.

"Winning Together" – is an earnest initiative that aims to make persuasive and systematic contributions beyond Medreich, in the areas of healthcare, community service & social development, Environment health and safety projects.

They are focus is in identifying the areas of development and improvement with total transparency and share values with they are Bandhanites to engage them effectively in they are journey of CSR to become responsible corporate citizen.

2.5 Ownership Pattern

Mr. Rajeev Mehta is a Co-Owner of Medreich Plc. and serves as its Chief Executive Officer. Prior to setting up Medreich in 1994, Mr. Mehta served as General Manager of Bayer, India Agrochemicals Division. He served as Managing Director of Inlaks plc. He serves as a Director of Medreich Plc.

Mr. Keith DeSouza is a Co-Owner of Medreich Plc and serves as Chief Operating Officer of International. Prior to Medreich, Mr. DeSouza served for 10 years in Nigeria pioneering the successful SmithKline Beecham ethical business in this important market. Prior to that, he served for Johnson and Johnson as Marketing Manager, India. Mr. DeSouza serves as a Director of Medreich Plc

2.5.1Board members

Paul M. Barrett OBE CMG

Rajeev Mehta

Keith DeSouza

Tan Suan Swee

Teng Peng Seow

2.6 Awards and Achievement

- Medreich has received a Southern region Export Excellence Award in 2015 – 2016 and 2016 – 2017 by Federation of Indian Export organization.
- Medreich has received an India Manufacturing Excellence Award in 2017 by Sullivan.
- Export Excellence Award in 2016.
- Received best vendor Award by Organization of Pharmaceutical producers of India in 2013.

2.7 Future Growth and Prospects

The Indian Pharma industry has been able to claim a share in the global market by leveraging its strengths and enhancing its regulatory and technical maturity. Formulations manufactured in India constitute 20 per cent of the global generics market by value, and the overall share of Indian manufactured formulations is as high as 46 per cent in the generics segment in the emerging markets

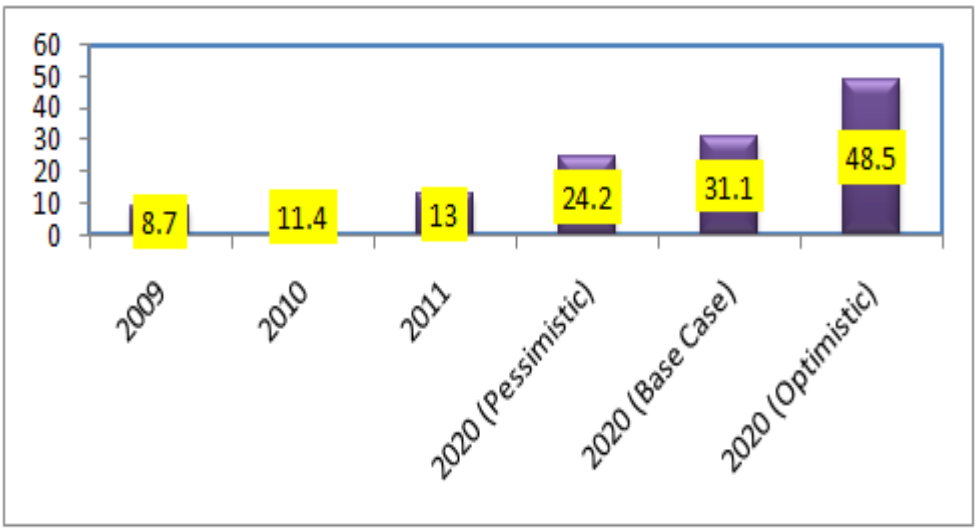


Chart 1: Indian pharmaceutical market by 2020 (US $ billion)

Investment in the Indian pharmaceutical industry

The drugs and pharmaceuticals sector attracted foreign direct investments (FDI) worth US$ 5.03 billion between April 2000 and November 2011, according to the latest data published by The future of Indian pharma industry is quite bright. At present, the pharmaceutical industry of India is the world's 3rd largest in terms of volume. Over the years, the Indian pharmaceutical industry has emerged as the most attractive investment destinations in the world. Several MNC pharma companies have fairly a good market access in India as compared to other countries.

Moreover, the increased returns lower risks and expected diversified growth are some of the major factors leading to an increased number of investors in this industry.

Even the government of India has made several efforts to augment the growth of pharma industry. The privatization and globalization policy of the Indian government, introduced in the mid-1990s provided incentives to research and development in the pharma sector. Various financial schemes were made available to companies for undertaking research and development. Furthermore, various other measures were adopted for accelerating the growth of pharma industry. In terms of volume, India's generic drugs account for 20% of global exports. By 2020, India is expected to rank amongst the top 3 pharmaceutical markets in the world in terms of incremental growth.

Indian pharmaceutical industry has all the requisite things including a skilled workforce, low cost of production, high managerial and technical competence and much more needed to flourish in the global market. In addition to this, the growing number of pharma companies are producing immense employment opportunities for a large number of job seekers. Therefore, it would be right to say that the future of Indian pharma industry is definitely bright.

Department of India. The modern process for drug discovery and testing now generates very large quantities of data through computer modeling and simulations, genetic sequencing, and other data-intensive processes. Further, as we noted in Pharma 2020: The vision, pharma companies are under increasing pressure to document the efficacy of their products; tracking patient outcomes represents a further source of large quantities of data. In order to facilitate the storage, management, retrieval and analysis of this large pool of data, a new subsector of the IT sector has emerged – bioinformatics. Tools have been developed which can help lower cost, improve efficiency, and streamline the process of documenting a drug’s efficacy throughout development until launch and beyond. India’s strength in the IT sector and its growing pharmaceutical sector are driving growth of this emerging area.

Revenues for the Indian bioinformatics industry were around US$48 million as of March 2009. It is an export driven segment with earnings of around US$37 million from overseas. Domestic revenues contribute around US$11 million.105 Some companies provide only specialised bioinformatics services; in other cases, local life sciences companies are integrating bioinformatics services into a complete portfolio of research capabilities. India is now actively targeting the bioinformatics market, with the construction of its first biotech-IT park in

Bangalore, at a total cost of about US$87 million.106 The first phase of the park has been completed and a tender for the development for phase–II is expected soon from the local state Government.

Several Indian companies, including the Bangalore based Strand Genomics and Ocimum Biosolutions, have already made forays into the bioinformatics industry. Recently, Ocimum was granted a patent for its method and system to manage and query gene expression data based on quality. ustrial Policy and Promotion (DIPP).

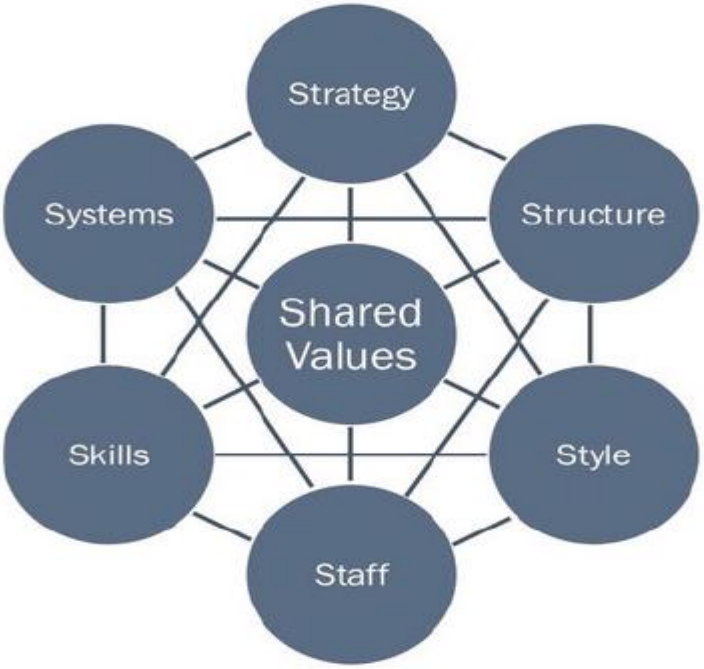
CHAPTER 3

MCKINSEY 7S MODEL AND PORTER'S 5 FORCE MODEL

3.1. Mckinsey 7s model

The McKinsey 7S model is a useful framework for reviewing an organization's marketing capabilities from different viewpoints. The power of the McKinsey 7S model is that it covers the key organization capabilities needed to implement strategy successfully, whether you're reviewing a business, marketing or digital strategy.

It also works well in different types of business of all sectors and sizes, although it works best in medium and large businesses. The beauty of this framework is that the elements are self-explanatory, although I have outlined some guidance for applying it later in the post.



The 7S model can be used to:

- **Review the effectiveness** of an organization in its marketing operations.
- **Determine how to best realign** an organization to support a new strategic direction.
- **Assess the changes** needed to support Digital Transformation of an organization.

The 7S framework elements

- **Strategy:** The definition of key approaches for an organization to achieve its goals.
- **Structure:** The organization of resources within a company into different business groups and teams.
- **Style:** The culture of the organization in terms of leadership and interactions between staff and other stakeholders.
- **Staff:** The type of employees, remuneration packages and how they are attracted and retained.
- **Skills:** Capabilities to complete different activities.
- **Systems:** Business processes and the technical platforms used to support operations.
- **Shared Values**: Summarized in a vision and or mission, this is how the organization defines its raison deters.

How can I use this 7S framework?

You can review each of the 7S to assess how the capabilities of an organization can be improved as the starting point of creating an action plan.

An example of applying the 7S framework to a marketing review

This example considers some of the issues related to introducing digital technology into an organization. A theme familiar to Smart Insights readers.

3.1.1. Strategy

The contribution of digital business in influencing and supporting organizations' strategy. The key issues are:

- Gaining appropriate budgets and demonstrating, delivering value and ROI from budgets.
- Annual planning approach.
- Techniques for using digital business to impact organization strategy.
- Techniques for aligning digital business strategy with organizational and marketing strategy.

Investing in technological innovations is a profitable business strategy for a pharmaceutical business. Trends such as increasing competition, globalization, and shorter product-cycle times are real challenges for the industry. Technological innovations enable a pharmaceutical company to deal with these challenges by reaching more consumers and suppliers, receiving instant feedback at a cheaper cost. One such strategy is using e-detailing, whereby a company communicates a product's details on the Internet. Consumers are able to schedule appointments online and learn about products or have a company address their questions in real time. A pharmaceutical company can also use a phone application to have consumers check the risks and benefits of a product on their phones. A technology-based business development strategy boosts innovations of drug enhancements or production of new drugs. USP's drug standards apply directly to the quality that's expected of generic drugs and their ingredients sold in the U.S. and many other countries. USP's standards are enforced by the U.S. Food and Drug Administration (FDA), which is part of the overall safety net that protects patient health in they are country when it comes to drug quality.

Today, a large number of generics and over-the-counter medicines in the U.S. are imported, much of it from India. Approximately 80 percent of active pharmaceutical ingredients (APIs)—the substances in medicines responsible for their therapeutic effects—in U.S.-marketed drugs come from outside the U.S.

In recent years, products manufactured by some Indian generics makers have fallen under tight scrutiny from regulators as a result of quality-related issues. Early in 2014, exports to the U.S. from several large Indian pharmaceutical companies were banned due to gaps in good manufacturing practices, data integrity issues and other violations identified by U.S. regulators.

I had an opportunity to meet one-on-one with representatives from a variety of companies during my trip. Repeatedly, I heard that drug quality in India is rapidly improving, but at the same time Indian industry has work to do to regain public confidence. Another recurring theme in they are discussions was how India's pharma companies can work with key partners like USP to meet the differing regulatory requirements of nations in which they conduct commerce, including the U.S.

3.1.2. Structure

It is way in which the organisation is built/structure and also who reports to whom. The structure of the organisation represents hierarchy of the company. Thus the organisation structure is the pattern of relations among various divisions of the company. The basic structural forms are;

a. Functional form

b. Divisional structure

c. Matrix structure

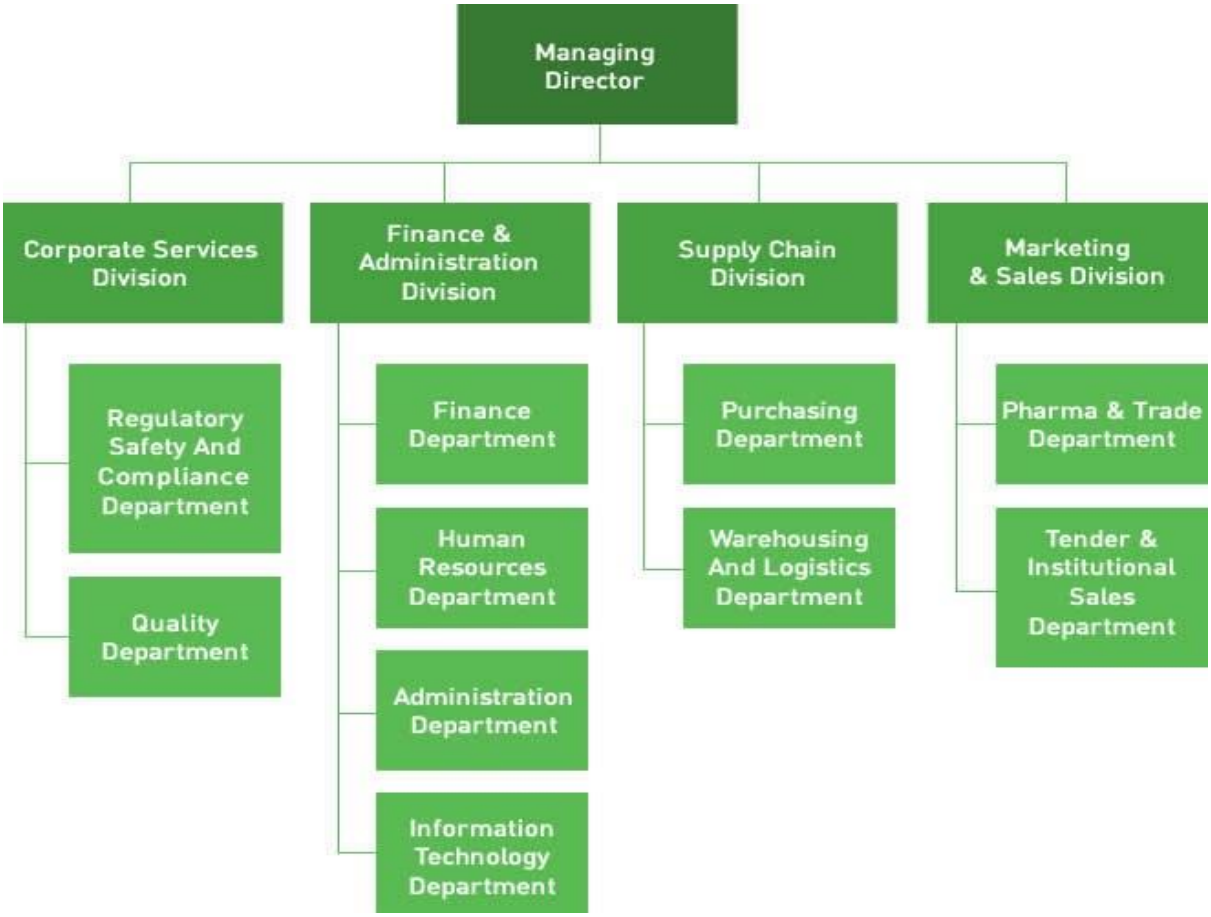
d. Network structure

e. line structure

f. staff structure.

The modification of organizational structure to support digital business. The key issues are:

- Integration of digital marketing or e-commerce teams with other management, marketing (corporate communications, brand marketing, direct marketing) and IT staff.
- Use of cross-functional teams and steering groups.
- Insourcing v/s outsourcing.



The structure in the organization is based on how easily the performance can be evaluated by the top level. The upward and downward communication is highly encouraged. Basically MEDREICH LTD follows functional structure. Each and every position in the company has power and authority over its lower positions and each position derives its power from the one above.

3.1.3. Systems

The development of specific processes, procedures or information systems to support digital business. The key issues are:

- Campaign planning approach-integration.
- Managing or sharing customer information.
- Managing customer experience, service and content quality.
- Unified reporting of digital marketing effectiveness and
- In-house v/s external best-of-breed v/s external integrated technology solutions.

Based on the latest guidance from the FDA, an effective pharmaceutical quality system should help ensure compliance with cGMPs by focusing on:

- Quality management
- Quality assurance
- Evaluation analysis and quality risk management tools
- Preventive action
- Risk management
- Continuous improvement

This latest guidance does not replace previous FDA regulations, which require every pharmaceutical quality system to include Standard Operating Practices (SOPs), adequate personnel and training systems, and an adequate system for recordkeeping. The new guidance is simply aimed at addressing advances in manufacturing technologies, quality systems and risk management approaches that have been developed since 1978. The latest guidance is also aimed at harmonizing the cGMPs with other widely used quality management systems,.

3.1.4. Staff

The breakdown of staff in terms of their background, age and sex and characteristics such as IT v/s marketing, use of contractors/ consultants. The key issues are:

- Insourcing v/s outsourcing.
- Achieving senior management buy-in/involvement with digital marketing.
- Staff recruitment and retention, and virtual working.
- Staff development and training

NUMBER OF EMPLOYEES (Chintamani unit)

Designation of the employers	**Number of employees**

Strength of the employees	290
Manager	
Supervisor	50
Staff	225

The company satisfies its staff by providing proper facilities like

- Transportation for staff
- Training
- Healthy and safety measures
- Motivation
- Equal opportunities should give to all
- Respect
- Compensation

Every company has to satisfy their staff because without them it is not possible to achieve the targets, so all needs to be taken care of.

3.1.5. Style

Includes both the way in which key managers behave in achieving the organization's goals and the cultural style of the organization as a whole. The key issues are:

- Defining a long-term vision for transformation.
- Relates to role of the digital marketing or e-commerce teams in influencing strategy – is it dynamic and influential or a service which is conservative and looking for a voice.

The organizational shall demonstrate leadership style of the organization with respect to management system…

- Taking accountability for the effectiveness of the management system.
- Ensuring that the quality policy and quality objectives are established for the management system and compatible with the context and strategic direction of the directions.
- Supporting other relevant management roles to demonstrate their leadership as it applies to their areas of responsibility.
- Promoting improvement
- Communicating the importance of effective quality management and of conforming to the quality management system requirements.

3.1.6. Skills

Distinctive capabilities of key staff, but can be interpreted as specific skill-sets of team members. The key issues are: staff skills in specific areas such as supplier selection, project management, content management and specific e-marketing media channels.

Being a niche and knowledge-driven sector, pharmaceutical companies look for professionals with the right academic background to understand the process and add key inputs. The skills required would differ from one division to another but apart from the core competencies to manage job duties, another major quality pharma companies seek in candidates is strong ethics, as it is vital to keep data and sensitive information secured. Some key competencies required for different profiles:

1. Division- R&D

Position– Chemist

Job Requirement- To set up and conduct experiments designed by scientists related to new drug/new process/drug effects etc. Appropriately record and report all data.

Competencies and Skills required-

- Strong analytical skills
- Ability to interact effectively with peers and leaders as part of a multi-disciplinary team.
- Ability to work in a challenging and fast-paced environment and multitask effectively.
- Strong attention to detail, organizational skills

2. Division- Production

Position– Pharmaceutical Manufacturing Technician

Job Requirement- To manufacture pharmaceutical components and products using appropriate equipments and following regulations and procedures. Appropriately document all actions.

Competencies and Skills required-

- Strong attention to detail
- Quality oriented
- Strong oral and written communication skill

3. Division- Distribution

Position– Medical Representative (MR)

Job Requirement- Marketing company's products to doctors, institutions etc and keeping them abreast of new products and initiatives by the company.

Competencies and Skills required-

- Good interpersonal and communication skills
- Product and industry knowledge
- Basic computer literacy
- Diligent, reliable and goal oriented
- Ability to handle pressure

Assessment for the '*Right*' Sales Executive

The following table illustrates how various skills, domain knowledge and personality traits map to assessments required for various departments of a Pharmaceutical company:

Profile	Competency Required	Competency Mapping to Pharma
Chemist	Analytical Skills Attention to Detail Technical Knowledge	Logical Ability: Medium Attention to Detail: High Biochemistry: Mid to High Biotechnology: Mid to High
Manufacturing Technician	Analytical Skills Attention to Detail Technical Knowledge	Logical Ability: Medium Attention to Detail: High Chemistry: Mid to High
Medical Representati	Communication Skills Product Understand Ability to Sell Result Oriented Ability to Handle Pressur	English: Medium Logical: Medium Chemistry: Medium Extraversion, Agreeableness : Mediu Conscientiousness, Emotional Stabili Medium to High

Globally pharmaceutical companies use assessments to assess candidate's aptitude, attitude and domain knowledge. Being a knowledge intensive sector, functional knowledge is of utmost significance. Research indicates that personality and cognitive skills can be a good predictor of a candidate's sales effectiveness. Aspiring Minds Research Cell has shown that cognitive skills combined with functional knowledge are important for success in the pharmaceutical sector. Multiple studies were conducted and the following trends emerged: All successful Chemists and Manufacturing Technicians scored high on Analytical Ability and domain knowledge

followed by moderate scores on Attention to Detail; Medical Representatives had a good score in English and Logical Ability and Conscientiousness, followed by moderate score on Agreeableness. This is backed by previous research by Thoresen, Bradley, et al, 20041 Cognitive skills and domain tests when used for hiring selection improved efficiency of Pharmaceutical trainees between 21% and 34% for various profiles.

3.1.7. Shared values

The guiding concepts of the digital business or e-commerce organization which are also part of shared values and culture. The key issues are: improving the perception of the importance and effectiveness of digital business amongst senior managers and staff it works with (marketing generalists and IT).

It is also called "superordinate goals" when the model was first developed, these are the core values of the company that are evidenced in the corporate culture and the general work ethic.

All commonly held belief mind-sets and assumption that Shape how an organization behaves, its corporate culture shared values are what engender trust. They are interconnection centre of the 7's model value is identity by which a company is known throughout its business areas.

A shared value is an essential characteristic or attribute promoted by the organization to motivate the behaviour of members of the organization. Shared value focuses on maximizing the competitive value of solving social problems in new customers and markets, cost savings, talent retention, and more.

Today companies are focusing more on building their company image through shared values as it enhances the reputation of the company in the society.

The main motto of MEDREICH LTD is providing quality products and services at a reasonable rate that are eco-friendly in nature.
The values shared by the employees of MEDREICH LTD are:

- Customer orientation
- Leveraging technological development
- Desire for excellence
- Ethical way of doing business

- Having best HR policies
- Involving in social activities and spending a sum on it to cater to social needs
- On time service irrespective of the problem

3.2. Porters Five Force Model

The Threat of New Entrant:

The threat of new entrant is low to moderate based on the following factors:

It has become very important for the pharmaceutical companies to focus on research and development to sustain their position in market. The cost associated with research and development is very high. Also, there are the stringent government regulations for approval of new drugs which act as high barrier. Besides this, various other challenges such as drawing up appropriate distribution strategies, selecting the right products, anticipating competition among others are limiting the entry of new barrier in market.

Many pharmaceutical companies are progressing in the market by shifting from traditional business approach to emerging new business approach. The new business technique includes contract research (drug discovery and clinical trials), contract manufacturing and co-marketing alliance. Many new companies to enter the market without burden of costly tasks such as research and development, clinical trials and manufacturing of drugs. Moreover, patent expiry is one of the reasons which is offering opportunities for lower cost generic manufacturer in terms of greater market access. Additionally, the government has increased their focus on healthcare cost cutting. It is creating pressure on the authority to allow early introduction of low-cost drugs in the market. This, in turn, poses a big opportunity for pharmaceutical companies with approved facility and sound knowledge of regulatory issues. Therefore, all these factors are responsible for the high threat from a new entrant.

The Threat of Substitutes:

The threat of substitute ranges from moderate to high. The demand for generic drugs compared to branded drug has increased because of cost. Generic manufacturers do not incur the high cost involved in research and development and regulatory activities such as FDA approval and clinical trials. These are the reasons, they can offer their product at cheaper price. This increases the threat of substitutes.

Bargaining Power of Buyers:

The buyer's bargaining power is moderate. There are many companies in market providing similar products. Because of this reason, buyers such as hospital and other healthcare organization have an option to select. They generally pressurize the pharma companies to keep prices of the drugs low.

Moreover, pharmaceutical industry has one unique feature that the buyer is different from influencer who is a doctor. The consumer has no option but to buy drug as prescribed by physician. Therefore, the bargaining power of patient is very low.

Bargaining Power of Suppliers:

The bargaining power of suppliers in market is low. Pharmaceutical products require various types of organic chemical. There are a number of chemical suppliers present in the market. Instead of buying chemicals at the high cost, pharma companies can switch from one company to other.

The Intensity of The Competitive Rivalry:

Due to increasing demand of high-quality drugs, low-to-moderate entry barrier to the new entrant, the presence of a number of large and small firm this market is highly competitive.

CHAPTER 4

SWOT ANALYSIS

4.1. SWOT Analysis

Many people see SWOT as synonymous with strategic planning. In fact, a SWOT analysis is only one of many tools that can be used in an organization's strategic planning process. SWOT is short for "Strengths, Weaknesses, Opportunities and Threats". By specifying clear objectives and identifying internal and external factors that are either helpful or not, a short and simple SWOT analysis is a useful resource which may be incorporated into an organizations strategic planning model. Strengths Internal attributes those are helpful to the organization to achieving its objective Weaknesses.

Internal attributes that are harmful to the organization to achieving its objective Opportunities External factors that help the organization achieve its objective Threats External factors those are harmful to the organization to achieving its objective. After identifying the SWOT's, identification of the factors and their interdependence helps clarify the steps needed to achieve the ending objectives. Internal and External Factors The aim of any SWOT analysis is to identify the key internal and external factors that are important to achieving the objective. SWOT analysis groups pieces of information into two main categories: * Internal factors – The strengths and weaknesses internal to the organization * External factors – The opportunities and threats pre-sented by the external environment. Helpful To achieve objectives| Harmful To achieve objectives| Internal origin| strengths| Weaknesses| External origin| opportunities| threats| The internal factors may be viewed as strengths or weaknesses depending upon their impact on the organization's objectives. What may represent strengths with respect to one objective may be weak-nesses for another objective.

The factors may include all of the 4P's; as well as personnel, finance, manufacturing capabilities, and so on. The external factors may include macroeconomic matters, technological change, legislation, and socio-cultural changes, as well as changes in the mar-ketplace or competitive position. The results are often presented in the form of a matrix. Purpose of swot analysis A SWOT analysis is designed to help an organization understand how it relates to its external environment. In other words, to act as a way of seeing if the

organization is aligned with the world going on around it. Workshop sessions* Brainstorming * meetings * Problem solving * Product evaluation * Strategic planning * Competitor evaluation * Personal development planning By focusing on the key factors affecting your business, now and in the future, a SWOT analysis provides a clear basis for examining your business performance and prospects.

4.1.1 Strengths

1. India is regarded as having an edge over China in terms of qualified, English-speaking manpower and fair protection of intellectual property rights supported by well-developed judicial system. (Appendix IV gives more information on IPR status in India).

2. India has skilled scientists/technicians/management personnel at affordable cost leading to low cost of innovation/ manufacturing/capex costs/ expenditure to run cGMP compliance facilities and high quality documentation and process understanding.

3. The country has well developed chemistry, R & D and manufacturing infrastructure with proven track record in advanced chemistry capabilities, design of high tech manufacturing facilities and regulatory compliance.

4. The healthy domestic market with rising per capita expenditure is another significant strength enabling achievement of economies of scale. The country also has a strong marketing & distribution network.

5. India is considered a desirable destination for off shoring of data management functions for clinical trials and also due to its rich biodiversity and strength in Chemistry which are essential for drug discovery.

6. The country has significant ability to circumvent API Patents. India has filed a number of non-infringing process patents. The country has a recent success track record in circumventing formulation patents. Proven Legal skills to evaluate IP and commercial strategies are available at least in select top companies.

7. The present domestic regulatory environment though in need of further improvement has been conducive to the growth of an emerging pharmaceutical industry.

4.1.2 Weaknesses

1. Low investments in innovative R&D continue to be a major weakness of Indian pharmaceutical industry.

2. Diffused nature of the Indian pharmaceutical industry means that only about 20 to 30 companies are large enough to bear the transactions costs associated with sustained exports to and compliance with entry regulations of the developed markets.

3. Majority of companies lack the ability to compete with MNCs for New Drug Discovery, Research and commercialization of molecules on a worldwide basis due to lack of resources.

4. Strong linkages between industry and academia which are essential for growth of the industry is lacking in India.

5. Comparatively small domestic market size due to low medical and healthcare expenditure in the country.

6. The country has at times shown inadequate regulatory framework or compliance and enforcement regime, reflected in occurrences such a production of spurious or low quality drugs.

7. Competency in API/Formulation, intellectual property creation, facility design and maintenance, global regulatory affairs, legal intricacies, and managing international work force is limited to a few players among the big players.

8. Rapidly increasing costs of skilled manpower such as scientists/ regulatory compliance personnel / pharmaceutical lawyers/ international business development personnel is pushing up the cost of innovation. Ability to evaluate contracts/alliances etc., is available only in top companies. Significant lacuna in this area exists and companies are falling into traps created by the competitors. Institutionalization of learning in the following areas is restricted:

- Regulatory affairs knowledge for different countries and continents
- Process and product patents procedures knowledge for different countries and continents.

9. Sales and marketing knowledge is inadequate due to lack of understanding of international Pharmaceutical marketing/pricing practices and market environment in various countries.

10. Inadequate manufacturing practices in comparison to those accepted in developed world such as change of API source, change of manufacturing locations, equipment etc, with out proven stability/ bioequivalence may be creating inadequate technical work force for exports. The national drug regulatory system though evolved substantially, has been in the need of strengthening its manpower and systems requirements.

11. Inadequate emphasis on Biosciences in education system leading to slower development in areas related to Biology giving away advantage to China.

4.1.3 Opportunities

India is faced with significant export opportunities, such as:

i. US$40 billion worth of drugs in the U.S.A and US$25 billion worth of drugs in Europe are expected to go off patent soon. Assocham estimates that Indian manufacturers may capture 30 percent of that market. This translates to an opportunity of US$19.5bn which is significant considering the country's current exports of approx. US$7.25bn. However the figures need to be appropriately deflated since Indian opportunity will lie in generics equivalent of branded or patented drugs, which would be cheaper.

ii. Generic launches by Indian manufacturers have increased in the United States from 93 in 2003 to 250 by 2008.

iii. Compulsory licensing provisions negotiated in the Doha Round, allows for countries to import cheaper generic versions of patented drugs in the interests of public health. Thailand and South Africa have already started such initiatives from which Indian firms have benefited.

2. Due to the cost advantage in contract manufacturing & Research multi-national companies find it compelling to shift their production bases to countries offering such cost advantage. Typical of the industry which requires approval of manufacturing facilities by various drug regulatory agencies of the world involving a very high cost, once such business finds base in India it would continue with it for at least one & half to two decades.

3. Licensing deals with MNCs for NCEs (New Chemical Entities) and NDDS (New Drug Delivery Systems) offer new opportunities for Indian manufacturers.

4. Marketing alliances for MNC products in domestic and international market is another emerging opportunity.

5. Contract manufacturing arrangements with MNCs is estimated at 10% of patented markets estimated at US$450bn which is approx. US$45bn.

6. India has a very high potential for developing as a Centre for international clinical trials due to its rich diversity.

7. India can become a niche player in global pharmaceutical R&D and possibilities exist for expansion of biotechnology generics (also known as bio-similars) and biopharmaceuticals.

8. There is a possibility of greater returns from an Indian entry into mature and more remunerative markets like Brazil, Japan, CIS, Russia, etc.

9. The Work Programme for the European Medicines Agency 2007 identifies greater co-operation with India - especially in the field of traditional and herbal medicines and remedies. Emerging preference for traditional medicines and herbs in the developed markets including lifestyle products and food supplements also presents an opportunity for the country in traditional medicinal systems & Herbal based products.

10. A rise in life expectancy generally, and increase in the population of the old, particularly in the developed world is causing higher expenditure from respective national health budgets compelling them to move to cheaper APIs and formulations which are India's forte.

11. Unleashing of a plethora of preferential trading arrangements, both bilateral and regional, offers opportunities for India to negotiate preferential access to partner markets for Indian pharmaceuticals in the long term and in a sustainable manner.

4.1.4 Threats

1. Product patent regime poses serious challenge to domestic industry unless it invests in research and development.

2. R&D efforts of Indian pharmaceutical companies are hampered by lack of enabling regulatory requirement.

3. Drug Price Control Order puts unrealistic ceilings on product prices and profitability.

4. Export effort is hampered by procedural hurdles in India as well as non-tariff barriers imposed abroad. For example:

i. Indian manufacturers are prevented from bidding for government contracts as US permits bidders only from countries that are signatories to WTO Agreement on Government Procurement.

ii. Indian manufacturers have to submit separate state level applications for marketing drugs in the United States as there is no nation-wide system of application even where FDA approval has been received.

5. Lowering of tariff protection has increased competition in domestic markets resulting in erosion of profitability.

6. Mergers and acquisitions by foreign company’s particularly multinational corporations of a few Indian generic leaders may completely change the direction of India's pharmaceutical movement neutralizing its thrust on generics and cost competitiveness.

7. The generics market in developed countries may be affected by a number of factors:

i. The release of authorized generics by major drug manufacturers.

ii. New mid-sized players, establishing themselves in the generics market.

iii. Increased competition due to newer Chinese and East European manufacturers. (E.g. there has been massive state level investment by China in the biotechnology sector - though at present India still has the edge due to IP laws.)

iv. TA's entered into by the United States of America with third countries (e.g. the Morocco-U.S.A FTA) may be harmful to Indian pharmaceutical exports because of provisions for increases in patent terms, etc. The United States enters into a number of FTA's with different countries and while the exact text of these agreements differ from country to country, each of these agreements contains provisions which can be damaging to Indian exporters of pharmaceuticals partly also because of their provisions on patents. These FTA's contain a large number of provisions which increase patent terms for pharmaceuticals by allowing for patentability of new uses of discovered inventions and by increasing patent terms by taking into account the time taken to process claims (ever greening). These provisions go beyond TRIPS and hence it may not be possible to challenge these under the WTO Dispute Resolution process. However, the compatibility of these provisions with Article XXIV of the GATT needs to be examined.

8. Specific non-tariff and Para-tariff barriers being increasingly adopted by other countries such as long transaction time taken for registration of drugs, insistence on completing long process for registration when the drug may actually have gone through the most rigorous process of registration such as the USFDA; insistence on allowing imports of only those drugs which are registered in some developed countries, etc.

CHAPTER 5

ANALYSIS OF FINANCIAL STATEMENT

Financial statements are a formal record of the financial activities and position of a business, person, or other entity. Relevant financial information is presented in a structured manner and in a form easy to understand. They typically include basic financial statements, accompanied by a management discussion and analysis A balance sheet or statement of financial position, reports on a company assets, liabilities, and owners' equity at a given point in time.

 An income statement or statement of comprehensive income, statement of revenue expense or profit and loss report, reports on a company income, expenses, and profits over a period of time. A profit and loss statement provides information on the operation of the enterprise. These include sales and the various expenses incurred during the stated period.

 A cash flow statement reports on company cash flow activities, particularly its operating, investing and financing activities

5.1 Purpose for Business Entities

The objective of financial statements is to provide information about the financial position, performance and changes in financial position of an enterprise that is useful to a wide range of users in making economic decisions. Financial statements should be understandable, relevant, reliable and comparable. Reported assets, liabilities, equity, income and expenses are directly related to an organizations financial position.

Financial analysis is then performed on these statements to provide management with a more detailed understanding of the figures. These statements are also used as part of management annual report to the stockholders.

PROFIT AND LOSS ACCOUNT FOR YEAR 2019 – 20 (AMOUNT IN CRORES)

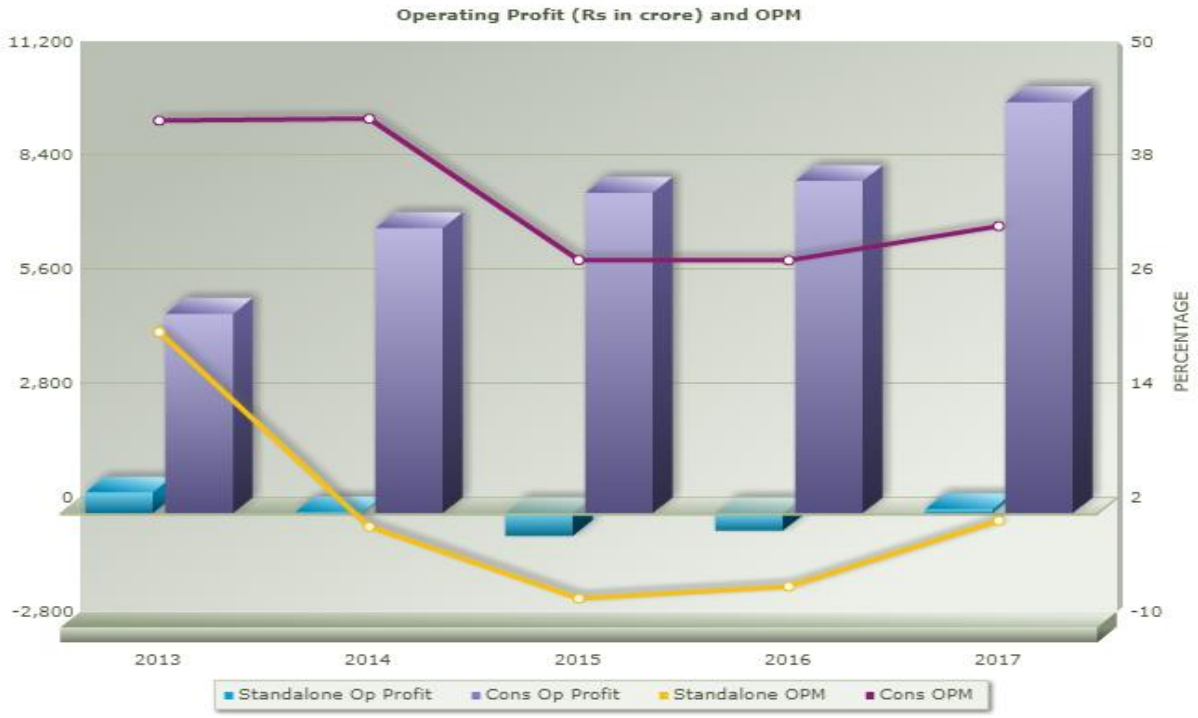
MEDREICH LTD.

INCOME		
Revenue From Operations [Gross]	30,264.23	
Less: Excise/Service Tax/Other Levies	270.30	
Revenue From Operations [Net]	29,993.93	
Other Operating Revenues	1,314.21	
Total Operating Revenues	31,308.14	
Other Income	623.15	
Group Share In Joint Ventures	0.00	
Total Revenue	31,931.29	
EXPENSES		
Cost Of Materials Consumed	5,124.61	
Purchase Of Stock-In Trade	3,277.76	
Purchase of Crude Oil And Others	0.00	
Cost of Power Purchased	0.00	
Cost Of Fuel	0.00	
Aircraft Fuel Expenses	0.00	
Aircraft Lease Rentals	0.00	
Operating And Direct Expenses	0.00	
Changes In Inventories Of FG,WIP And Stock-In Trade	-271.63	
Employee Benefit Expenses	4,902.30	
Finance Costs	399.80	
Provisions and Contingencies	0.00	
Depreciation And amortization Expenses	1,264.75	
Miscellaneous Expenses Written Off	0.00	
Other Expenses	8,185.83	
Less: Inter Unit / Segment / Division Transfer	0.00	
Less: Transfer to / From Investment / Fixed Assets / Others	0.00	

Less: Amounts Transfer To Capital Accounts	0.00	
Less: Share of Loss From Partnership Firm	0.00	
Group Share In Joint Ventures	0.00	
Total Expenses	22,883.42	
Profit/Loss Before Exceptional, Extra Ordinary Items And T	9,047.87	
Exceptional Items	0.00	
Profit/Loss Before Tax	9,047.87	
Tax Expenses-Continued Operations		
Current Tax	404.64	
Less: MAT Credit Entitlement	0.00	
Deferred Tax	806.93	
Other Direct Taxes	0.00	
Tax For Earlier Years	0.00	
Total Tax Expenses	1,211.57	
Profit/Loss After Tax And Before Extra-Ordinary Items	7,836.30	
Prior Period Items	0.00	
Extraordinary Items	0.00	
Profit/Loss From Continuing Operations	7,836.30	
Profit Loss From Discontinuing Operations	0.00	
Total Tax Expenses Discontinuing Operations	0.00	
Net Profit Loss From Discontinuing Operations	0.00	
Profit/Loss For The Period	7,836.30	
Minority Interest	-881.86	
Share Of Profit/Loss Of Associates	9.93	
Consolidated Profit/Loss After MI And Associates	6,964.37	
OTHER ADDITIONAL INFORMATION		
EARNINGS PER SHARE		
Basic EPS (Rs.)	29.00	
Diluted EPS (Rs.)	29.00	
Imported Raw Materials	0.00	

Indigenous Raw Materials	0.00	
Imported Stores And Spares	0.00	
Indigenous Stores And Spares	0.00	
DIVIDEND AND DIVIDEND PERCENTAGE		
Equity Share Dividend	240.68	
Preference Share Dividend	0.00	
Tax On Dividend	49.00	

OPERATING PROFIT



CONSOLIDATED BALANCE SHEET OF MEDREICH LTD. (AMOUNT IN CRORES)

Sources of Funds	**March 2019**
Total Share Capital	239.93
Equity Share Capital	239.93
Share Application Money	0.00
Reserves	37,860.00
Networth	38,100.00
Secured Loans	9,751.00
Unsecured Loans	0.00
Total current liabilities	9,571.00
Minority interest	3,884.16
Total Liabilities	**51,736.00**

Application of Funds	
Gross Block	21,317.81
Less: Revaluation Reserves	0.00
Net Black	21,317.81
Capital work in Progress	0.00
Investments	7,142.87
Inventories	6,880.69
Sundry Debtors	7,815.28
Cash and Bank balance	9,929.38
Total Current Assets	24,625.35
Loans and Advances	11,216.77
Total CA, Loans &Advances	35,842.12
Current Liabilities	7,052.17
Provisions	5,514.12
Total CL & Provisions	12,566.29
Net Current Assets	**23,275.83**
Total Assets	**51,736.51**

RATIO ANALYSIS

I Liquidity ratio

a) Current Ratio = Current Asset
Current Liability

24625
9751

= 2.52%

b) Quick Ratio = Current Asset - stock
Current Liability

17745
9751
= 1.8%

c) Absolute Ratio = short term security + cash in hand + bank
Current Liability

9929
9751

= 1.018%

II Capital structure Ratio

a) Proprietor Ratio = share holder fund
Total asset

38100
51736

= 0.736

b) Interest coverage Ratio = profit before interest and tax
Fixed interest

9047

3884

= 2.32

III Profitability index ratio

a) Net profit Ratio = Net profit x 100

Sales

7836 x 100

29993

= 26.12%

b) Return on investment = PBIT x 100

Capital employed

9047 x 100

47851

= 18.90%

c) Return on shareholder fund = profit after tax and interest x 100

Shareholder fund

7836 x 100

38100

= 20.566%

d) Return on capital employed = profit after tax

Capital employed

7836

4785 = 0.16

One of the major aspects while taking a right investment decision is to analyze the financial statements of any company. Financial Statement analysis is a process to select, evaluate and interpret financial data in order to assess a company's past, present and future financial performance. Various questions about the company like whether it has debt repaying capacity, is it financially sound or stressed, does it have an apt financial mix, is it rightly placed to provide returns to shareholders, revenue generating efficiency, working capital management being among the major ones which can be analyzed to a larger extent through financial reports. Although the information used is historical, the purpose is to arrive to future forecasts and an estimated performance of the company.

CHAPTER 6

LEARNING EXPERIENCE

The main purpose of the organization study is to make students acquainted with the practical knowledge about the overall functioning of the organization. It gives opportunity to study the human behavior and also makes one ready to face different situations, which normally would come across while on work in the office or factory environment.

The primary objective of the organization study is to make the students to know the practical applicability with respect to the theoretical concepts in the business decisions. The understand Behavior, culture of the organization and to know about the various policies of the organization and its performance and its future strategies.

The first and foremost important factor, which focuses this study, is the need of the student to know about practical aspects of the functioning of the organization. This study will help the individual when he or she finishes the course and goes for a job. No doubt that the necessary training will be imported at the workplace but having a brief knowledge before entering the organization will certainly help the individual in learning about the organization quickly and improve his or her performance for his or her betterment as well as for betterment of the organization for which he or she is working.

An internship with a company, which is well established, is a brilliant source of knowledge. I will be able to physically feel and experience the concepts that I have learned throughout my life. This provides me a chance to reflect upon what I have learned till now. On the other hand, I will be able to gain some very important insights of working with senior officials in reality. I would be able to utilize their experience as a guide to correct my mistakes and to rediscover more skills that will be useful. The works related to the company plays as an opportunities where they have given the assignments directly related to an area of study or career interest.

The basic values of internship I have taught are:

1. I have gained experience by applying knowledge and skills in work related situations.

2. Have learnt about what kind of official works to do and also gained my level of confidence in my own abilities.

3. Gained the practical real work experience as an employee.

4. Expanding my knowledge by seeing others mistakes and to solve them.

5. I have learnt how to identify the internal problems of the company and to be solved.

6. Multitasking in some areas and team work.

My experience at internship has taught me more than I could have imagined. I felt my duties were diverse and ever changing. Sometimes it's tough to recall everything I have taken in over past month, but even though I feel that these are some of the most beneficial lessons I have learnt.

Learnt about the organization, their existence, mission, vision of the company and product profile, and the types of product they have been offered, and the services profile we learn on organization structure, hierarchy of the organization, decision making process. They also increase communication skill while interacting with the staff members and they learn about management team, their responsibilities, their point of view in future expectation of products, Learnt on company core values that is using team word instead of I that results efficiency in work. And also understand is strength, weakness, opportunity, and threat of the company.

BIBLOGRAPHY

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- Marketing Management –Philip Kotler
- Principles of Pharmaceutical Marketing – Mickey Smith
- www.medreich ltd.com

WEEKLY PROGRESS REPORT

Student Name	Mr. Shivakumar D.N.
USN	1CY18MBA46
Title of the Study	An Organisation Study on Medreich Pvt Ltd
Organization	Medreich Pvt Ltd
WEEK-1	
Duration (start date - End date)	6.8.2020 - 12.8.2020
Chapter s covered	Chapter 1 and Chapter 2
Descriptions of activities performed during the week	Introduction to organization, Industry profile and company profile
WEEK-2	
Duration (start date - End date)	13.8.2020 - 18.8.2020
Chapter s covered	Chapter 3
Descriptions of activities performed during the week	McKensy's 7S framework, Porter's Five Force Model.
WEEK-3	
Duration (start date - End date)	19.8.2020 - 26.8.2020
Chapter s covered	Chapter 4 and Chapter 5
Descriptions of activities performed during the week	SWOT Analysis and analysis of financial statements
WEEK-4	
Duration (start date - End date)	27.8.2020 - 30.8.2020
Chapter s covered	Chapter 6
Descriptions of activities performed during the week	Learning experience and Bibliography

Signature of the Student

Signature of the Guide