

**INTERNSHIP REPORT ON  
“SOLARA ACTIVE PHARMA SCIENCE LTD, MANGALORE”**

**Submitted By**

**Shreya**

**USN: 4AL21BA076**

**Submitted To:**

**VISVESVARAYA TECHNOLOGICAL UNIVERSITY  
BELAGAUM**



**In partial fulfilment of the requirements for the award of the  
degree of**

**MASTER OF BUSINESS ADMINISTRATION  
Under the Guidance of**

**INTERNAL GUIDE**

**Mrs. Maithri, Senior Lecturer**

**PG Department of Business Administration**

**Alva's Institute of Engineering and Technology, Mijar, Moodbidri**



**PG DEPARTMENT OF BUSINESS ADMINISTRATION  
ALVA'S INSTITUTE OF ENGINEERING AND TECHNOLOGY  
SHOBHAVANA CAMPUS MIJAR, MOODBIDRI**



**SOLARA**  
Active Pharma Sciences

Communication Address :  
Solara Active Pharma Sciences Limited  
Plot Nos.120 A&B, 120P & 121, Plot No 36  
Industrial Area, Baikampady  
New Mangalore-575011, Karnataka, India  
Tel : +91 824 2402100,  
E-mail : info@solara.com  
www.solara.co.in

Ref: SAPS/HRA/8569 /2022-23

Date: 19.11.2022

**TO WHOM SO EVER IT MAY CONCERN**

This is to certify that **Ms. Shreya**, pursuing her MBA in Alva's Institute of Engineering and Technology shobhavana Campus, Mijar Moodbidri D.K Karnataka-574225, bearing Reg. No 4AL21BA076 has successfully completed her internship from 15/10/2022 to 15/11/2022 in our company as a part of her academic curriculum.

She has shown keen interest in learning. Her conduct and character were good during the training period.

We wish her good luck in her future endeavours.

**For Solara Active Pharma Science Limited**

**Authorised Signatory**



# ALVA'S INSTITUTE OF ENGINEERING & TECHNOLOGY

(A Unit of Alva's Education Foundation @Moodbidri)

Affiliated to Visvesvaraya Technological University, Belagavi

Approved by AICTE, New Delhi & Recognised by Government of Karnataka

Accredited by NBA (CSE & ECE)

DATE: 30/01/2023

## CERTIFICATE

This is to certify that **SHREYA** bearing USN **4AL21BA076**, is a bonafide student of Master of Business Administration program of the Institute (2021-23) affiliated to Visvesvaraya Technological University, Belagavi.

The Internship report on "**SOLARA ACTIVE PHARMA SCIENCE LTD., MANGALORE**" is prepared by her under the guidance of **Mrs. Maithri**, Senior Lecturer, PG Department of Business Administration in partial fulfillment of the requirements for the award of the degree of Master of Business Administration, Visvesvaraya Technological University, Belagavi, Karnataka.

**Mrs. Maithri**  
Internal Guide

**Mrs. Priya Sequeira**

DEAN  
Dept. of Business Administration  
Alva's Institute of Engg. & Technology  
MJAR - 574 225

**Dr. Peter Fernandes**  
Principal

PRINCIPAL  
Alva's Institute of Engg. & Technology  
Hqrs. MOODBIDRI - 574 225, U.K.

## TABLE OF CONTENT

SL. NO.	CHAPTER	PAGE NO.
1	Introduction about the organisation and industry	1
2	Company Profile <ul style="list-style-type: none"><li>• Organisational profile</li><li>• Objectives of the study</li><li>• Background</li><li>• Vision, Mission, quality policy</li><li>• Workflow model</li><li>• Product/ service profile</li><li>• Ownership pattern</li><li>• Achievements</li><li>• Future growth and prospects</li></ul>	2-11
3	Mckinsey's 7s framework and porters five force model	12-16
4	SWOT analysis	17-18
5	Analysis of financial statement	19-24
6	Learning experience	25

## **ACKNOWLEDGEMENT**

I would like to take this opportunity to express my sincere gratitude to all those who have helped me throughout this organisational internship study. It gives me immense pleasure to acknowledge all those who have rendered encouragement and support for the successful completion of this work.

I would like to express my sincere thanks to Principal Dr. Peter Fernandez AIET, and Moodbidri, and I express my deep sense of gratitude to my internal guide Mrs Maithri Senior Lecture PG Department of Business Administration, for constant support and encouragement to carry out my internship project successfully without much difficulty.

I am privileged to thank our, HOD of PG Department of Business Administration, Mrs. Priya Sequiera. Alva's Institute of Engineering and Technology, Mijar and it would be a failure in my part not to mention my parents and family whose who all support any give encourages Deepest thanks to all. They are all indeed the reason for the successful completion of this internship.

## **DECLARATION**

I Shreya hereby declare that this Organisation Study conducted at Solara active pharm science Ltd is a record of independent work carried out by me under the guidance of Mrs. Maithri.

I also declare that this organisation study is towards the partial fulfilment of the university regulation for the award of degree of Master of Business Administration by Visvesvaraya Technological University, Belagavi,

I have undergone an organisation study for a period of four weeks. I further declare that this organisation study is based on the original study undertaken by me and has not been submitted for the award of any degree from any other University/Institution.

## **Executive summary**

This is an attempt to know how the theories can be applied to practical situation. As MBA student of Alva's Institute of Engineering and Technology it is a part of study for everyone to undergo internship at some good organisation. So, this purpose I got the opportunity of internship program in Solara active pharma science Ltd.

This report is divided into six chapters. The first chapter deal with the introduction about the internship, industry profile. The second chapter is about the organisation profile.

- Nature of business
- Vision mission, quality policy,
- Workflow model
- Product/service profile
- Ownership pattern
- Achievement / awards

Third chapter is Mc Kinsey's 7s frame work with special reference to organisation under study. The fourth chapter deals with SWOT analysis. The fifth chapter is Analysis of financial statement sixth chapter is learning experience. It also consists of Bibliography.

## **CHAPTER 1**

### **INTRODUCTION TO INDUSTRY AND ORGANISATION**

#### **INTRODUCTION:**

Solara Active pharma science Limited stands on the pillar of integrity, honesty and fairness. Everything we do here stands the test of public scrutiny. Through timely communications, we endeavour to keep our stakeholders, suppliers and customers aware and well informed on how we conduct our business. We will achieve the highest level of efficiency through a focused approach to customer centricity and continuous improvement. We will always strive to ensure that our employees are empowered to deliver the best customer service in the industry. If our R&D efforts do not succeed, the introduction of new products may be hindered, India is having a well-established pharmaceuticals industry, with strong network of 3000 drug companies. so, the Indian Pharmaceuticals industry is the world third largest by volume with a revenue of about USD 41 billion formulations imports & exports. This journey can be attributed in formulation world class capabilities. The pharmaceuticals industry in India is 3<sup>rd</sup> largest in the world terms of volume behind China & Italy. Indian market for pharma the salient features of Indian exports drugs world 2 generic drugs from India for gametic drugs parametrical exports.



## **CHAPTER- 2**

### **ORGANISATIONAL PROFILE**

#### **ORGANISATIONAL PROFILE**

##### **Background:**

Solara Active pharma science is a young, dynamic, entrepreneurial and customer-oriented API manufacturer. We have a legacy of over three decades and trace our origins to the API expertise of Strides Shasun Ltd. and the technical know-how of human API business from Solara Active pharm science Ltd. We are poised to bridge the industry gap by delivering value-based products while maintaining focus on customer needs. We have 140+ scientists working at our one R&D Centre and 4 API manufacturing facilities armed with global approvals and 2 dedicated R&D facilities. We stand by our vision to Respect our partners by maintaining Integrity and operational Transparency, which we intend to achieve through developing almost Efficiency across the organisation. Solara Active pharm science Ltd is incorporated on June 28 1990 as Strides Pharmaceuticals Private Ltd converted to strides Pharmaceuticals Ltd on May 23<sup>rd</sup> 1994. Renamed as Strides Arco lab Ltd in March 1997, the company is now a ISO 9000 and 140001 certified Company with its state of art plant facility incorporating latest technology in equipment, utilities and production methods and is designed to conform to regulatory requirements. Strides Arco lab Ltd, operating in Bangalore is among the largest manufacturers of branded genetic formulations and nutraceutical from India. Solara Active pharma science Ltd also undertakes contract research and manufacturing of speciality chemicals and bulk drug intermediate for various multinationals.

Solara Active pharma science Ltd is 100% subsidiary company of Strides Arco lab Ltd, Bangalore. Solara Active pharm science Ltd is located on the western coast of India. The plant is amongst India's Few companies, which has established excellence rapport and ongoing business relationship with leading multinational companies like Ciba Speciality Chemicals Ltd, GE Plastics, Brantford Chemicals, Lancaster, Eburon Organics etc. Solara Active pharm science Ltd is specialised in the synthesis of APIs, API intermediates, fine and specialty

chemicals for Pharmaceutical and Chemical applications. The plant was inaugurated in 1995. It is located in Mangalore on the west coast of India. The plant-built area is about 3 acres while the total area is about 5 acres. R&D facility is well equipped with all facilities for a variety of trials and manned by qualified personnel undertaking process development and synthesis of new chemicals entities. The manufacturing facilities are equipped with multipurpose glass lined and stainless-steel vessels of various capacities from 0.5m to 5m totally to about 80 m<sup>3</sup>. A fully equipped modern testing laboratory with state of art instruments is servicing to the manufacturing departments.

### **Nature of Business:**

Solara Active pharma science Ltd manufactures pharmaceutical products. The Company focuses on production, processing, formulating, merchandising, distributing, and trading of active pharmaceutical ingredients. Solara Active Pharma serves patients in India. The Pharmaceutical business finds creates and markets mediations or pharmaceutical medications or uses as drug to be managed to patients to fix them, immunize them or reduce a side effect. Medicines/pharmaceuticals products are subject to various laws and regulation that administer the protecting, testing, security and showcasing of drugs. The current pharmaceuticals industry hints its origins to two sources. The first source was the local apothecaries that prolonged from their traditional role allocating botanical drugs such as morphine and quinine to comprehensive manufacturer in the mid-1800s. Rational medication disclosure from actuating specialist from pium, by the German pharmacist aide fricasseed rich returner who names the compound later the Greek divine force of dreams, Morpheus. The advancement of engineered synthetic techniques enabled researchers to fundamentally differ the structure of concoction substances and development in the rising art of pharmacology extended their capacity to access the natural impacts of these basic changes.

The Pharmaceuticals corporate business in India positions third in the world in terms of volume and 14<sup>th</sup> as far as value. As per the division drugs, service of synthetic concoctions and composts, all out turnover of India's medications manufacturing among 2008 and September 2009 was US 2.04 billion. Mumbai, Hyderabad, Bangalore and Ahmadabad are the real pharmaceutical centre points of India. The household market was priced at US 13.8 billion of every 2013. The management began to support the growth of medication producing by Indian administrations in the mid-1960s, and with the licenses Act in 1970. Not with standing, monetary progression in 90s by the preceding Prime Minister P.V. Narasimha Rao and after

that fund serve Dr. Manmohan Singh authorised the corporate to progress toward becoming what it is today. The absence of patent assurance made the Indian marketplace unsuccessful to the global organisations that had ruled the market. While the conglomerates flattered out, Indian administrations cut a speciality in both the Indian and world markets with their skill in figuring out new procedures for assembling

drugs at low expenses. Industrial drug specialists research drug compounds and develop new medications dependent on research. They test medications on research.

**Vision:**

We will be amongst the Top 10 Pure- Play Global Active Pharmaceuticals Ingredients Company that builds significant value for our partners, stakeholders and shareholders, committed to protect Human life and the Environment.

**Mission:**

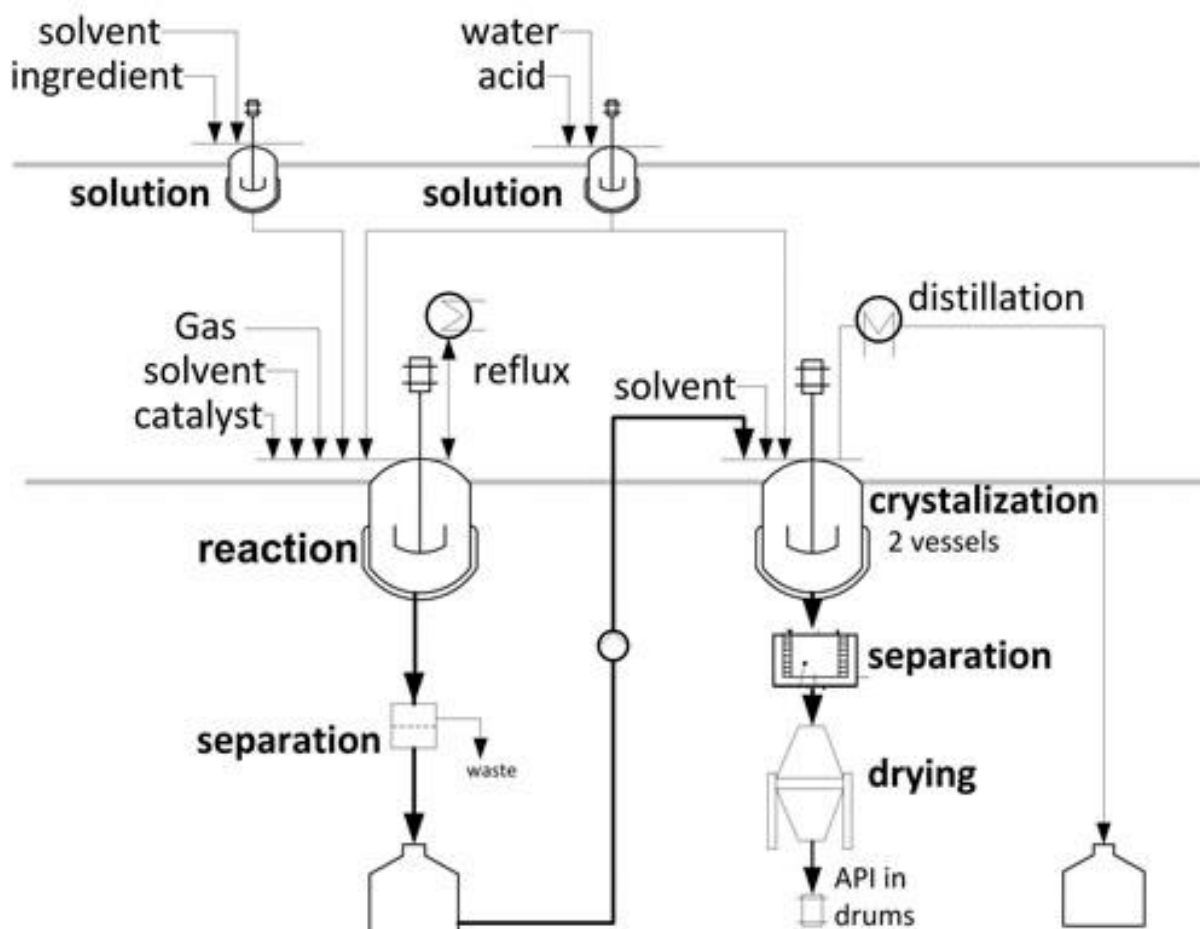
To be a Customer-Centric Organisation delivering APIs of high quality.

**Quality Policy:**

Solara Active pharma science Ltd is committed to develop manufacturer & deliver a board Spectrum of Superior Active Pharmaceutical Ingredients & its intermediates that guarantee quality & customer Satisfaction a core element of company's mission & vision.

- Implement company core value of respect, integrity, transparency & efficiency in all aspects our business.
- Our corporate group quality function is responsible to enforce harmonised quality systems across all locations track and achieve high quality standard.

### Work Flow Model:



API production using chemical synthesis processes seemed to go out of fashion in the European pharmaceutical industry during the last decade, with a number of construction projects tending to focus on biotechnological production. Now however, in recent years, several new projects for the development of API synthesis plants have emerged in Europe, particularly for the production of highly potent APIs. In the coming years, the market for HPAPIs is expected to expand at a CAGR of 8.3%. Current API production plant projects have shorter implementation times and faster times to market, which goes hand in hand with the trend for more

individualised API products and smaller production volumes. As such, the integral engineering procedures for these chemical synthesis facilities need to be further developed to meet these requirements. Some basic consideration when designing a chemical API synthesis plant. During the early planning phases,

it's important to conduct a thorough review of the chemical API synthesis plant's production profile and technological process functions to be able to design an effective facility.

### **Identifying Steps in Pharmaceutical Manufacturing Process Flow Charts**

The goal of mapping processes in pharmaceuticals manufacturing is to document work steps for a business problem that management is trying to solve. But, identifying the main steps in the beginning, and keeping those steps confined to a reasonable scope, can be tricky. Most pharmaceuticals manufacturing processes have multiple sub-processes that spin off from main work flows, so not all should be mapped at once. Start with the understanding that at the end of your flow chart project, the process should have around 100 steps on it to be thorough enough to use for problem solving or documentation for automation. 4 major steps in the pharmaceuticals manufacturing process that must be captured when creating a work flow include:

1. Staging and weighing of raw materials
2. Compounding, blending, and drying of combined and mixed materials
3. Compounding, blending, and drying of combined and mixed materials
4. Package and prepare final product for shipment and distribution

### **Workflow Diagram Examples**

There are numerous types of diagrams that are used to visualize the workflow. Some of these diagrams have been around for a long time and come in wide varieties. Let's look at some workflow diagram examples. Some of the most popular ones are:

## The Role and Benefits of Pharmaceutical Process Flow Charts

Developing and maintaining process maps for pharmaceutical processes gives several broad benefits. In an industry as regulated as pharma, flow chart and workflow analysis contribute to wider data and process visibility among stakeholders, potentially saving hundreds of hours of work time reducing compliance risk activity – all while providing ideas for better internal controls and efficiency. Benefits of flow charting in pharma include:

- **Improved Regulatory Procedures:** Requests from regulatory bodies can be tied up due to executive staff working on other projects, but deadlines for replies are almost immediate. Operational readiness is paramount in many cases. These requests can be moved along by less senior members on staff but procedures must be clear on how to proceed and be identified during process mapping.
- **steps.** Creating a pharmaceutical's back office workflow, or flow chart, allows companies to identify areas where operations can be simplified or
- **Reduced Operational Cost:** Back-office pharmaceuticals processes can be plagued by duplicate or redundant work centralized, getting rid of those duplicate processes and saving big dollars on overhead
- **Speed to Market Improvement:** Getting new products to market can be slowed down by slow approval rates and the speed of product development. Process analysis can be used to develop standardized workflows to get new products created and out to market faster.

### **Product/Service Profile**

Solara Active Pharma Science Ltd is engaged in Active Pharmaceutical Ingredients manufacturer (API) in India. It manufactures and develops APIs and offering services, including for APIs. The company offers products and services, such as Anaesthetic, Analgesics, Antiviral, Retinod, Anti-emetic, Antimalarial, Diuretic, Muscle relaxant, Antiallergics, Antihypertensive, Calcimimetic agent, Anti-Seizure, Antigout, Cardiovascular, Anti-infective, Cough suppressant and others. It also offers contract services including contract development and manufacturing, analytical services. The group has a business presence in the Asian Pacific, Europe, Solara Active Pharma Sciences is a young, dynamic, entrepreneurial and customer-oriented API manufacturer. We have a legacy of over three decades and trace

our origins to the API expertise of Strides Shasun Ltd. and the technical knowhow of human API business from Sequent Scientific Ltd. We are poised to bridge the industry gap by delivering value-based products while maintaining focus on customer needs. We have 140+ scientists working at our two R&D Centres and 4 API manufacturing facilities armed with global approvals and 2 dedicated R&D facilities.

Solara Active Pharma Sciences offers Contract Research and Manufacturing and Development Services across the entire value chain of a new chemical entity which covers from Pre-Clinical to Commercial Phase. We have a strong team of 200+ scientists functioning from two research centres which are supported by a highly compliant manufacturing footprint spread over five large scale multi-product facilities.

#### Technical Expertise

- Strong technical leadership to develop high-quality pharma products that create strategic value for our partners and customers

#### Development

- R&D capability to develop over an entire cycle with new and better technologies at a
- competitive cost

#### Product Selection

- Focus on differentiated products characterized by complex formulations across diverse therapeutic categories

#### Regulatory Filings

- Strong IP assessment capabilities and strong global regulatory expertise

### **Ownership Pattern:**

### **Promoter Holdings Trend:**

#### Total Promoter Holding

Increasing promoter holding is considered good and reflects management's positive view about the future outlook

In last 6 months, promoter holding in the company has almost stayed constant

Low Pledged Promoter Holding

Lower pledged promoter holdings is considered better

Pledged promoter holdings is insignificant

**Institutional Holdings Trend:**

Total Retail Holding

Increasing retail holding can be considered bad as it can reflect those institutions and promoter are selling their stake which is being absorbed by retail investors.

In last 3 months, retail holding in the company has almost stayed constant

Foreign Institutional Holding

Foreign Institutional Holding is quantum of stock held by foreign large-quantities-trading entities. Increasing value indicates growing support and comfort for the stock

In last 3 months, foreign institutional holding of the company has almost stayed constant

Study of the shareholding pattern of a company is a very important part of fundamental analysis. The shareholding pattern is a determinant of the market capitalization of the stock and is an indicator of whether the stock valuation is justified or not. Know the Public shareholding % for the last quarter as announced by Solara active pharma science ltd.

Company has spent 5.94% of its operating revenues towards interest expenses and 18.63%

Shareholding Pattern

	Retail and Others	Foreign Institutions	Other Domestic Institutions	Mutual Funds	Total
Promoter Holding	40.40%	2.51%	0.50%	19.26%	37.32%

The Ownership Pattern is provided after considering said that transfer of shares the statement is given are as follows:

	Sep	Jun	Mar	Dec	Sep	Jun	Mar	Dec	Sep	Sep 07, Jun	Mar
Summary 2022	2022	2022	2022	2021	2021	2021	2021	2020	2020	2020	2020
Promoter	40.4%	40.4%	39.7%	39.5%	41.1%	41.1%	44.1%	44.1%	44.2%	44.7%	41.9%



	Sep	Jun	Mar	Dec	Sep	Jun	Mar	Dec	Sep	Sep 07, Jun	Mar
Summary 2022	2022	2022	2022	2021	2021	2021	2021	2020	2020	2020	2020
Holding	40.4%	40.4%	39.7%	39.5%	41.1%	41.1%	44.1%	44.1%	44.2%	44.7%	41.9%
Pledged	28.18%	27.98%	27.51%	29.44%	13.55%	8.86%	16.42%	17.09%	4.75%	13.06%	51.12%
Locked	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FII	18.5%	17.9%	19.4%	18.2%	17.3%	16.6%	13.7%	12.9%	12.2%	24.8%	16.7%
DII	3.0%	3.1%	3.6%	5.4%	6.1%	6.4%	4.0%	4.6%	4.7%	0%	6.7%
Public	38.2%	38.6%	37.2%	36.9%	35.6%	35.9%	38.3%	38.4%	38.9%	0%	34.7%
Others	0%	0.0%	0%	0.0%	0%	0.0%	0.0%	0%	0%	30.5%	0.0%

### **Bottom of Form**

### **Achievement/ Rewards**

National Safety Council Award Maharashtra chapter has awarded Solara Active pharm science Ltd Ambernath 1<sup>st</sup> prize for its meritorious performance in industrial Safety in industrial Group A 06

Umbrella Scheme: The Department of Pharmaceuticals, Govt of India had launched an umbrella Scheme for development 2017-18 with an objection to increase the efficiency & competitiveness of domestic pharmaceuticals accessibility availability quality & affordability of quality Pharmaceuticals for mass consumption.

- CII southern Region EHS Excellence Awards is organised every year to acknowledge the vision & Exemplary commitment to the Environmental Responsibility concern for occupational health Safety of employees & Society.

Who Geneva Approved as GMP Complaint Oct 2009 & Dec 2011.

- TGA Australia Approved as GMP complaints may 2011 & Feb 2013
- USFDA Audit completed successfully - Sep 2012
- License from Karnataka FDA ISO 9001-2008 For quality management
- ISO 14001-2004 for environment management system.

- The Ambarnath facility received certificate of merit from national safety Council Maharashtra for Lowest Avg Accident Frequency rate.
- They improved ECO Vadis was certified for ISO 14001 &ISO 45001.
- Ernst &young entrepreneur of the year awarded to managing director for manufacturing in the year 2001
- Facilitated robust business growth, through five inorganic expansions for enhancing Scale Market access &Capabilities.

### **Future Growth & Prospects**

- Through the annual report company discloses the forward-looking information to enable investors to understand the company prospects & take investment decision.
- The Company periodically makes certain forward-looking statement that act out Anticipated result based on the management plan & assumption.

It's still necessary to consider the ever-present spectre of investment risk. The company's shares are up 2.4% from a week ago.

### **Key Financial Results**

- Revenue: ₹3.38b (down 16% from 2Q 2022).
- Net loss: ₹99.6m (down by 134% from ₹297.1m profit in 2Q 2022).
- ₹2.77 loss per share (down from ₹8.27 profit in 2Q 2022) Looking ahead, revenue is forecast to grow 15% p.a. on average during the next 3 years, compared to a 12% growth forecast for the pharmaceuticals industry in India. For the year ending March 2019 SOLARA ACTIVE PHARMA SCIENCES has declared an equity dividend of 50.00% amounting to Rs 5 per share. At the current share price of Rs 463.25 this results in a dividend yield of 1.08%. Solara Active Pharma Science Ltd had last declared a dividend of 50.00% for the year ending. business relationship with leading multinational companies like Ciba Speciality Chemicals Ltd, GE Plastics, Brantford Chemicals, Lancaster, Eburon Organics etc. Solara Active pharm science Ltd is specialised in the synthesis of APIs, API intermediates, fine and specialty chemicals for Pharmaceutical and Chemical applications. The plant was inaugurated in 1995. It is located in Mangalore on the

west coast of India. The plant-built area is about 3 acres while the total area is about 5 acres. R&D facility is well equipped with all facilities for a variety of trials and manned by qualified personnel undertaking process development and synthesis of new chemicals entities. The manufacturing facilities are equipped with multipurpose glass lined and stainless-steel vessels of various capacities from 0.5m to 5m totally to about 80 m<sup>3</sup>. A fully equipped modern testing laboratory with state of art instruments is servicing to the manufacturing departments.

## **CHAPTER 3**

### **MCKINSEY'S 7'S MODEL AND PORTER'S FIVE FORCE MODEL**

#### **7s MCKINSEY'S MODEL:**

The McKinsey 7s model is used by Solara Active Pharma Science Ltd to continuously improve company's performance. The model can be applied to many situations and is a valuable tool when organisational design is at question. Solara Active Pharma Science Ltd focus on the seven areas of organisation are divided into the 'soft' and 'hard' areas. Strategy, structure and systems are hard elements that are much easier to identify and manage when compared to soft elements. On the other hand, soft areas although harder to manage are the foundation of the organisation and are likely to create the sustained competitive advantage.

#### **1. Structure:**

The company must be prepared in advanced to cope up with the market competition. The organisational strategies should be in synchronisation with the company's vision goals, values and mission. The organisation roles responsibilities, authority and hierarchical arrangement determine its structure. It defines the level of accountability and answerability of each personnel. It clearly states that who will report to whom, defining the superior subordinate relations within the company. The methods, procedures and process which forms the base of carrying out routine business operations are termed as an organisational system. For instance, accepting only cash payment is a system in some organisations. The pandemic has questioned the current structure supply chain management of the company. To be more resilient organisation & prepare itself for future.

#### **2. System:**

The company follows a transparent and visible management system easily accessible to all the stakeholders. The process and procedure for the departments are framed with a set of sequential process and procedure.

Example: The finance department at Solara follows Standard Operating Procedure (SOP) with 7 levels of vertical heads to each SOP's, high level of security and personal IDs to all the employees for performance of their task, starting from the initial scanning till the final posting completely verified by the general manager. A complete secured and end to end process.

However, the various processes are inter- linked with a Centralised control of authority and decision making through the hierarchical level of management.

- Its modernising the process by innovation and use of new technologies to make the decision-making process quicker.
- It also follows a high-end concentric system of management which enables to carry the information from the top level to the bottom level of employees.
- It has also adopted paperless recording system by fully computerised method of storage system.
- The Company's advanced IT infrastructure ensures adequate internal controls over business processes and practices. This internal control system provides reasonable assurance about the integrity and reliability of the financial statements.
- Moreover, it has a strong in-system audit programme which regularly covers various operations consistently.

### **3. Strategy:**

Strategy is plan developed by a firm to achieve sustained competitive advantage and successfully compete in the market. Strategies are long term objectives of the firm. Organizations are economic and social entities in which the number of persons perform multiple tasks in order to attain the goals. One of the strategies that is been followed by the company in recent day is:

- Induction programme were normally explained orally to the employees before, now the induction programmes are conducted visually.

Different languages have been used in this induction program to reach every employee.

- It undertakes a wide variety of activities through devices such as departmentalization, specialization and division of labour and delegation of authority.

#### **4. Style:**

Solara follows a systematic arrangement of style

Authoritarian leadership style is followed in Solara Active Pharma Sciences Limited. This is also known as Autocratic, Directive or Homothetic style.

- The company encompasses discussions, debate, and sharing of ideas and encouragement of people to feel good about their environment.
- In autocratic leadership style, the management keeps strict close control over employees by keeping close regulation of policies and procedures given to the labours.
- The Independent Directors shall assess the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

#### **5. Staff:**

Solara Active Pharma Sciences there are around 3000+ employees have been working in the organization. This element is concerned with what type and how many employees an organization will need and how they will be recruited, trained, motivated, and rewarded. The employees will be recruited based on the availability in vacancy in the organization. The recruitment process is carried out according to the skills required by the company. In case of vacancy, other employees will compensate by working overtime or the contractors having suitable skills and knowledge will be appointed to fill the vacancy in the company.

The HR manager will select the suitable candidate for the right job, for effectively utilize the workers ability for the benefit of the industry. The owner motivates his workers by giving good incentive and good working environment. This helps to boost the morale of the worker and he work effectively for the benefit of the organization.

## **6.Skills:**

All the employee at Solara is required to have all the skills pertaining to the work culture of the organisation and inculcate the essential necessities for the work that they need to perform.

Top level: It requires more conceptual skills, experience, and decision-making ability.

Middle level: It requires managerial skill, problem solving capacity.

Lower level: It requires more technical skills and knowledge.

## **7.Shared Values:**

The company abides by all the rules, regulation and statutory policy. It has also formulated and has been following a set of structured values through which has enabled its self to deliver the best possible outcome of performance. Solara follows the right practices and do the right thing. Collaboration: Solara will work together, understanding and supporting each other. Efficiency: Solara will do everything to deliver quicker, better results to all its customers. Perhaps it follows a very integrated method valued system with consideration of all the stake holders and valuable customers across the globe.

## **PORTER'S FIVE FORCES MODEL:**

First posted in 1979, "How Competitive Shape Strategy" via the means of Michael E. Porter, revolutionised the sector of strategy. Popularly recognised as "Porter's Five Forces". Now no longer best inspired a technology of instructional studies however additionally furnished a map to scrupulously examine the aggressive forces.

The Porter Five Forces Model is significantly influenced by classical microeconomics. The following five forces are:

### **Bargaining Power of Buyers:**

Solara pharma is unique among industries because the medical patient has an absolute lack of power regarding pricing. The only entities with any negotiating power are the first to market generics and biosimilars offer significant cost savings for insurance companies in the developed markets. In branded markets, patient/pharmacists cannot usually substitute between brands. Bargaining power of buyers is high.

- End consumers do not have bargaining power brand identity exists but is in the hands of influencer price sensitivity is less highly fragmented market, so buyer concentration will be low in industry.

### **Bargaining Power of Suppliers:**

Suppliers has very little power in the pharm industry. The raw materials for manufacturing drugs are usually commodity products in the chemical industry, which are available from many sources. Most of the equipment used in manufacturing and research is available from the various manufacturers. The Suppliers usually offer multiple products to the manufacturer, which moderates pricing on rarer materials and unique equipment. The bargaining power of suppliers as whole is medium. The bargaining power is high for API companies with difficult to manufacture product.

### **Rivalry and Existing Competitors:**

The growth opportunities for pharma companies are expected to grow many folds in the next few years with many drugs going off patent in the US and emerging countries coming into the focus. To make the most of the generic opportunity, many innovator companies are trying. Establish themselves by acquiring or striking joint venture deals with generic companies may also face competition from these big pharma companies who are backed by significant market capital or funding. The competitive rivalry is high.

### **Threat of Substitutes:**

The threat of substitution is higher in unbranded markets where one generic can be substituted by another by the pharmacists. In branded markets and for biosimilars, it is the doctor or physician who can substitute one drug for another. A new FDA approved blockbuster drug that has patent protection, treats a major health condition, and is first to market in its category has a license to print billions of dollars however, it may require a huge amount of money in research and development. Overall, there is a first mover/creator as time goes on, chances of a substitute increase exponentially.

- Threat of substitution is somewhat high.
- No substitute for the medicines biotechnology is a threat to synthesis pharma product



**Threat of Entrants:**

Entry barriers in the emerging markets are high due to its branded nature. The opportunities highly lucrative. However, the company requires extensive legal knowledge combined with ability to develop the product earlier than competition. This is possible for only a few top companies. Biosimilars which is emerging as the next growth driver requires clinical, extensive regulatory.

- **High R&D Cost :** 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
- **Other Challenges :** such as drawing up appropriate distribution strategies & networks, selecting the right products, anticipating competition among others are limiting the entry of new barrier in market.

## **CHAPTER 4**

### **SWOT ANALYSIS:**

#### **Strengths:**

- One of Solara's main Strengths is that they have a strong R&D pipeline which enables Solara to keep launching new products regularly. Solara is planning to launch almost 15 new APIs for the year FY2020-21.
- Solara has commission Phase of the Greenfield Facility at Vizag, and the commercial production is likely to begin in H2FY21. The greenfield facility will have a dedicated CRAMS manufacturing area. Therefore, having an extra facility increases Solara's ability to manufacture more which will lead to more sales for the company in the future.
- Currently, Solara has its currently in more than 75 countries. Given that the Company came out with Its IPO just over 2 years back, it shows how the company has been expanding remarkably, which will eventually lead to more sales for the Company in the future.

#### **Weakness:**

- Solara has a very large working capital requirement because of its continuous R&D and DMF filings which the Company has to do. Investments R&D was nearly 46 crores in FY 2020
- In the past, the Company has faced supply disruptions, which had led them to incur additional costs in procuring their raw materials.

#### **Opportunities:**

- The Production Linked Incentive scheme, introduced by the Govt allocates 100 billion for 53 products. This is expected to strengthen the manufacture of domestic APIs and reduce imports from China.
- The Production Linked Incentive scheme, introduced by the Govt allocates 100 billion for 53 products. This is expected to strengthen the manufacture of domestic APIs and reduce imports from China.
- The Production Linked Incentive scheme, introduced by the Govt allocates 100 billion for 53 products. This is expected to strengthen the manufacture of domestic APIs and reduce imports from China.

**Threats:**

- Regulations by the Government have been increasing over the years, which in turn can lead to an increase in the chances of products getting suspended. This remains a threat for the business because as we saw that the suspension of one of Solara's products from the markets- Ranitidine led to lower.
- In the present time in india lots of pharmaceutical company produce this type of the drug and doctors shuld be prescribed this drug too muchb for the treatment. Many pharmaceutical industry produce this category drug with parenteral route also and with varying prices.

## **CHAPTER 5**

### **FINANCIAL STATEMENT ANALYSIS**

#### **BALANCE SHEET:**

A balance sheet is a financial statement that reports company assets, liabilities, and shareholder equity. The balance sheet is one of the three core financial statement that are used to evaluate a business. It provides a snapshot of a company finance as date of publication.

<b>Particulars</b>	<b>March 2022</b>	<b>March 2021</b>	<b>Mar20</b>	<b>Mar19</b>	<b>Mar18</b>
<b>Liabilities</b>	12 Months	12 Months	12 Months	14 Months	14 Months
Share Capital	36.00	35.92	122.85	129.77	24.67
Reserve & Surplus	1491.05	1556.86	967.94	835.96	745.19
<b>Total Equity</b>	1527.05	1592.78	1090.79	965.74	769.87
Secured Loan	1024.57	515.71	586.50	439.43	573.08
<b>Total Liabilities</b>	2551.62	2108.49	1677.29	1405.16	1342.94
<b>Assets</b>					
Gross	1683.07	1625.90	1549.36	1189.27	10889.69
	348.92	266.89	175077	89.65	26015
- Dep					
<b>Net</b>	1334.15	`1359.01	1374.09	1099.62	1062.54
Capital Work in Progress	238.65	87.72	40.21	33.65	70.31
Investment	18.13	18.13	18.03	149.13	18.53
Inventories	575.55	294.97	279.73	201.63	187.66
Sundry Debtors	489.67	483.81	229.67	268.95	263.35
Cash and Bank	47.14	198.38	560.58	73.83	460.93
Loans and Advances	246.38	168.15	153.30	108.01	167.86

<b>Total Current Assets</b>	1358.74	1145.31	719.28	652.41	665.79
Current Liabilities	385.12	488.49	461.93	519.49	465.64
Provisions	12.93	13.19	12.39	10.16	8.59
<b>Total Current Liabilities</b>	398.05	501.68	474.32	529.65	474.23
<b>Net Current Assets</b>	960.69	643.63	244.96	122.76	191.56
<b>Total Asset (A+B+C+D+E)</b>	2551.62	2108.49	1677.29	1405.16	1342.94

### **PROFIT AND LOSS ACCOUNT:**

A profit and loss account shows a company revenue and expenses over a particular period of time. Typically, either one month or consolidated months over a year. The profit and loss account represents the profitability of a business. For example, show you if you are running out of cash as you build stock.

<b>Particulars</b>	<b>Mar22</b>	<b>Mar 21</b>	<b>Mar 20</b>	<b>May 19</b>	<b>May 18</b>
<b>Income</b>					
Sales Turnover	1268.34	1616.88	1321.75	1367.26	520.97
<b>Net Sales</b>	1287.10	1645.29	134.26	1374.05	523.25
Other Income	18.7600	28.4100	27.5100	6.7900	2.2760
<b>Total Income</b>	1287.10	1645.29	1349.26	1374.05	523.25
<b>Expenditure</b>					
Manufacturing Expenses	92.12	84.06	76.22	72.64	31.41
Material Consumed	681.32	753.84	623.62	723.76	277.50

Personal Expenses	234.20	227.63	202.24	179.92	67.56
Administration Expenses	180.35	166.02	163.14	164.88	80.24
<b>Total Expenditure</b>	1187.99	1231.55	1065.22	1141.20	456.70
Gross Profit	80.35	385.33	256.53	226.06	64.27
<b>EBITDA</b>	99.11	413.74	284.04	232.85	66.54
Dep	112.01	108.31	93.67	78.73	33.83
<b>EBIT</b>	-88.17	220.96	11249	69.69	7.58
Taxes	-33.10	00	00	00	00
Profit & Loss for the year	-55.07	220.96	112.49	71.71	7.58
Non-Recurring items	-148.	-253	-329	-9.02	-5.88
<b>PAT</b>	-58.56	220.96	112.49	62.01	1.95

Equity Dividend	10.78	19.74	15.66	00	00
Equity Dividend	10.78	19.74	15.66	00	00
Equity Dividend (%)	29.94	54.96	58.32	00	00
Shares in Issue	359.96	359.30	268.55	257.74	246.74

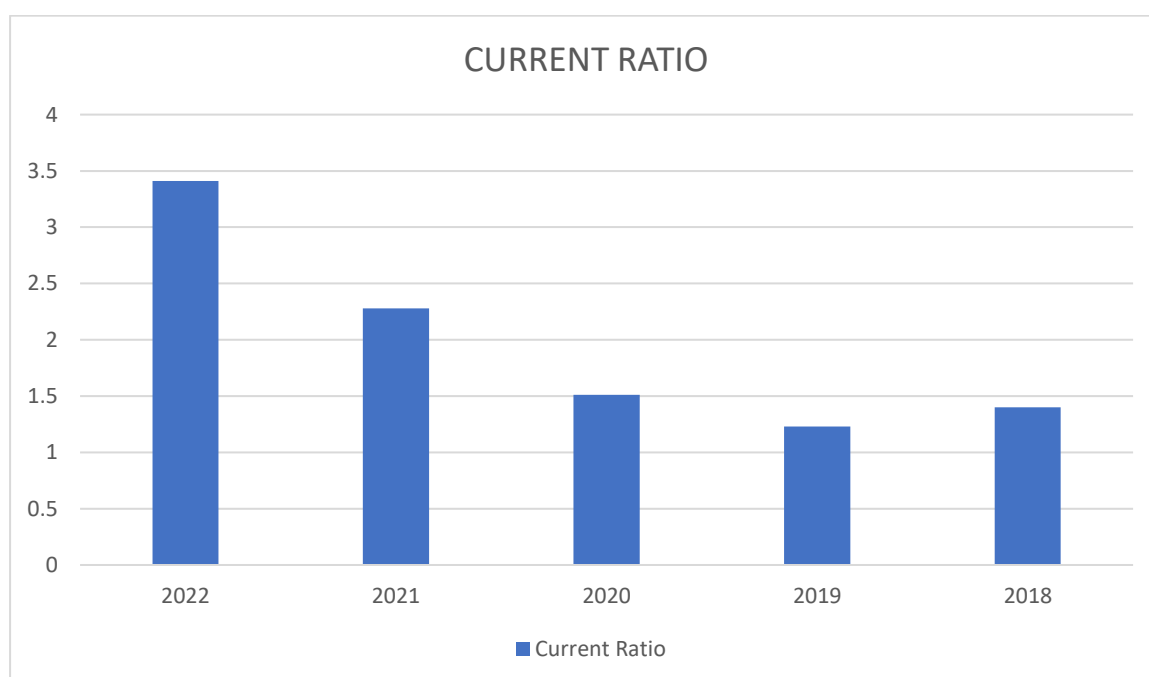
## **RATIO ANALYSIS:**

### **I)SHORT TERM SOLVENCY RATIOS:**

#### **1) CURRENT RATIO:**

The current ratio helps investors understand more about a company's ability to cover its short-term debt with its current assets and make apples-to-apples comparisons with its competitors and peers.

<b>Year</b>	<b>Current Assets</b>	<b>Current Liabilities</b>	<b>Current Ratio</b>
2022	1358.74	398.05	3.41
2021	1145.31	501.68	2.28
2020	719.28	474.32	1.51
2019	652.41	529.65	1.23
2018	665.79	474.23	1.40



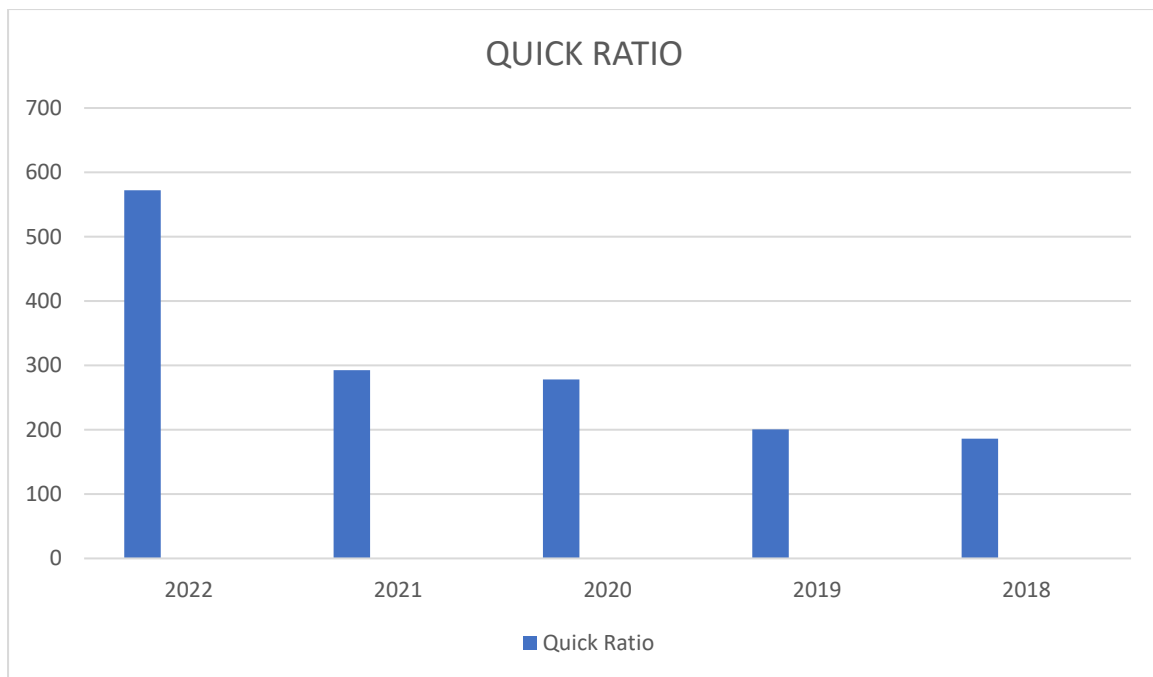
**Interpretation:** From the above graph reveals the results of current ratio of time period 2018-2022. As we can see initially in the year 2018 the current ratio is 1.40:1 which shows the firm was not idle. The idle current ratio is 2:1 which shows that current assets should be double the value of current liabilities. The firm doesn't show idle position from 2018-2022. The current ratio is seen as increasing from 2018 and 2022 that ranging from 1.40. Moreover there is no change in ratio during the year 2021 and 2022.

## **2) LIQUID OR ACID TEST OR QUICK RATIO:**

The quick ratio measures a company's capacity to pay its current liabilities without needing to sell its inventory or obtain additional financing.

Year	Current Assets	Current Liabilities	Inventories	CA/CL-I	Quick Ratio
2022	1358.74	398.05	575.55	$\frac{1358.74}{398.05 - 575.55}$	572.13
2021	1145.31	501.68	294.97	$\frac{1145.31}{501.68 - 294.97}$	292.68
2020	719.28	474.32	279.73	$\frac{719.28}{474.32 - 279.73}$	278.21
2019	652.41	529.65	201.63	$\frac{652.41}{529.65 - 201.63}$	200.39
2018	665.79	474.23	187.66	$\frac{665.79}{474.23 - 187.66}$	186.25



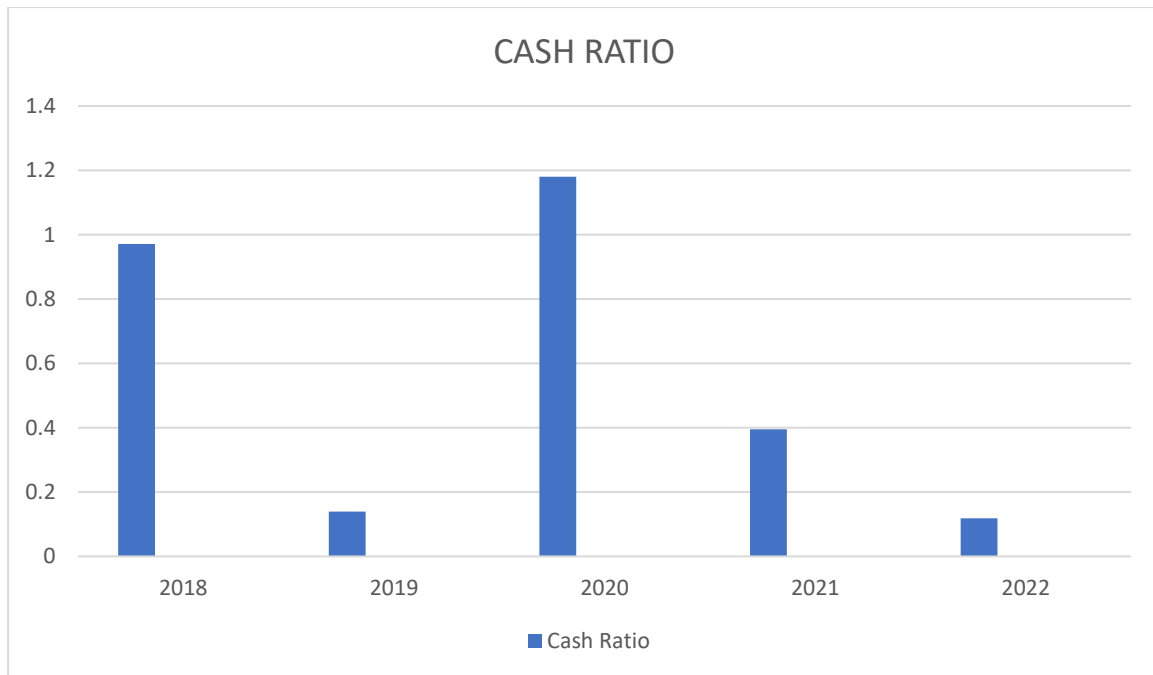


**Interpretation:** From the above graph shows the results for quick ratio of time period 2018-2022. As the results reveals a better view of liquidity. The results range from 572-186. from year 2018-2022 of the firm. The firm doesn't show idle results. Which shows that the firm's liquidity position doesn't sound good?

### **3)CASH RATIO:**

The cash ratio is a measurement of a company's liquidity, specifically the ratio of a company's total cash and cash equivalents to its current liabilities. The metric calculates a company's ability to repay its short-term debt with cash or near-cash resources, such as easily marketable securities.

Year	Cash Ratio
2018	0.971
2019	0.139
2020	1.18
2021	0.395
2022	0.118



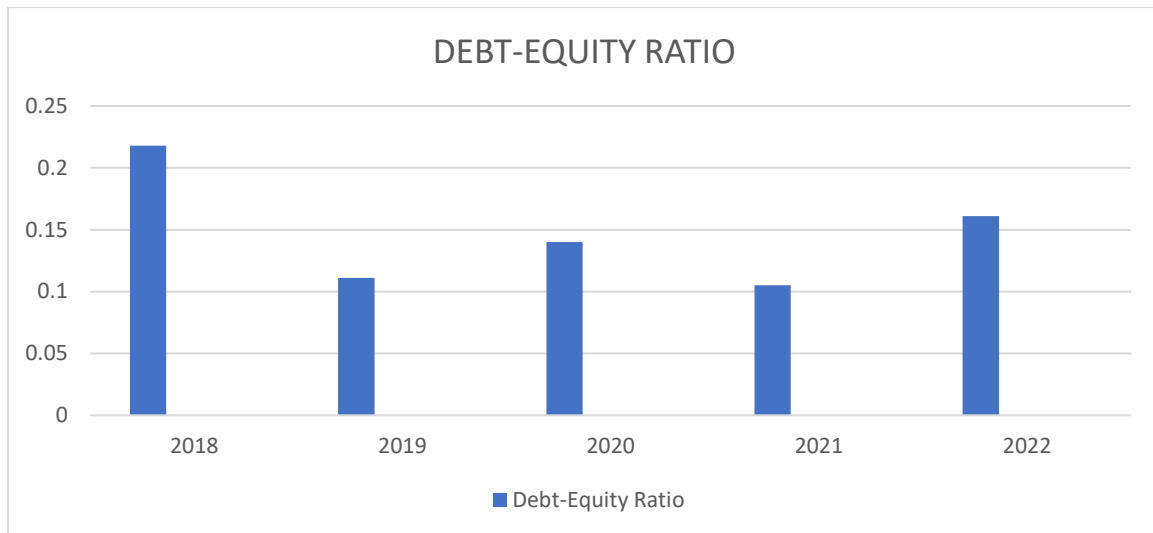
**Interpretation:** From the above graph represents the cash ratio of the firm during the year 2018-2022. The results range from 0.971-0.118 from the year 2018-2022 of the firm. The firm doesn't show satisfactory results for cash ratio which depicts that the firm cannot easily fund its debt.

## **II) LONG TERM SOLVENCY RATIOS**

### **D) DEBT-EQUITY RATIO:**

The debt-equity ratio is a measure of the relative contribution of the creditors and shareholders or owners in the capital employed in business. Simply stated, the ratio of the total long-term debt and equity capital in the business is called the debt-equity ratio.

Year	DEBT RATIO (%)
2018	0.2180
2019	0.111
2020	0.140
2021	0.105
2022	0.161

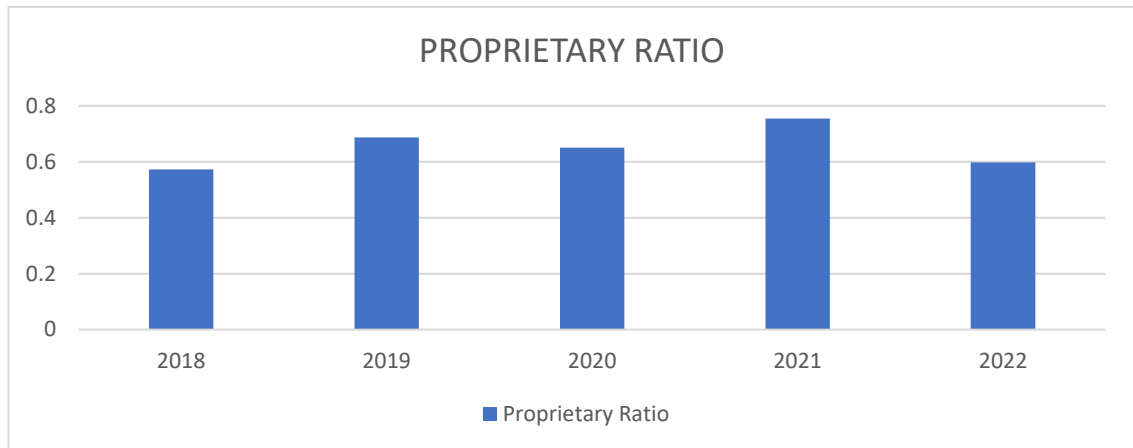


**Interpretation:** From the above graph represents results of Debt to equity of a firm from 2018-2022. The results range from 0.071-0.118 from year 2018-2022 of the firm. The firm shows sound financial position, which means low debt, is involved in a firm.

## **2) PROPRIETARY RATIO:**

Proprietary ratio is a type of solvency ratio that is useful for determining the amount or contribution of shareholders or proprietors towards the total assets of the business.

Year	Share Capital	Total Assets	Ratio
2018	20.49	1342.94	0.573
2019	20.49	1405.16	0.687
2020	20.49	1677.29	0.650
2021	20.49	2108.49	0.755
2022	20.49	2551.62	0.598



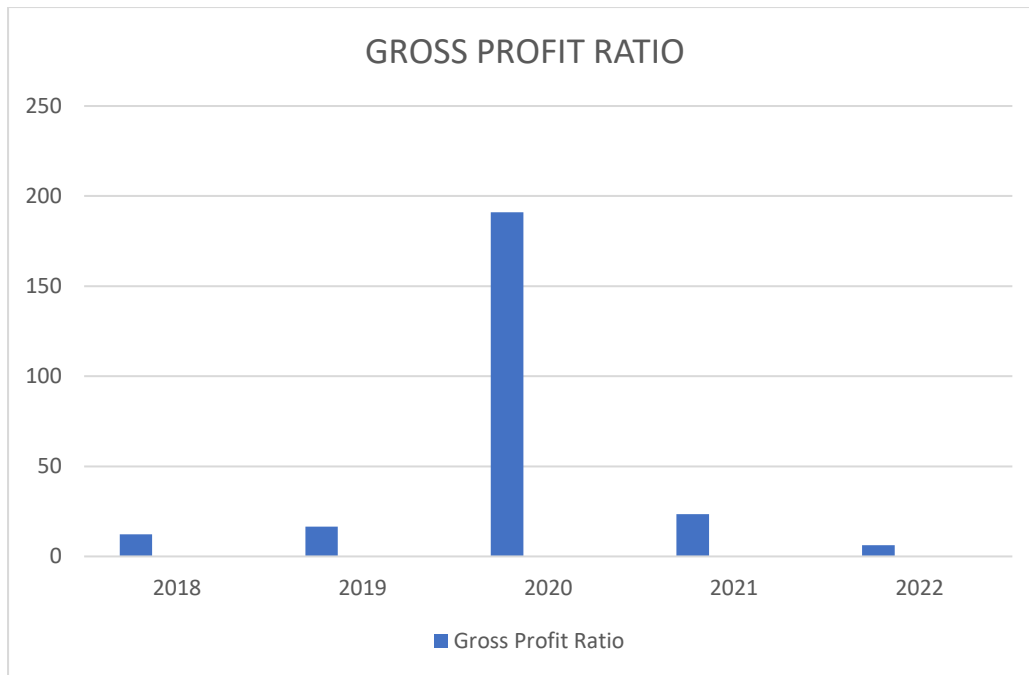
Interpretation: From the above graph shows the results of proprietary ratio of the firm of time period 2018-2022. The proprietary ratio represents the relationship of owners fund to do total assets. The firm shows greater results in the year 2022, which represents the long-term solvency position of the firm. In the year 2018, the firm's ratio was low as compared to subsequent years. A higher ratio represents greater liquidity.

### **III) PROFITABILITY**

#### **D) GROSS PROFIT RATIO:**

The gross profit ratio shows the proportion of profits generated by the sale of products or services, before selling and administrative expenses. It is used to examine the ability of a business to create sellable products in a cost-effective manner. The ratio is of some importance, especially when tracked on a trend line, to see if a business can continue to provide products to the marketplace for which customers are willing to pay a reasonable price. There is no optimum ratio amount; it can vary substantially by industry.

Year	GP Ratio (%)
2018	12.28
2019	16.45
2020	191.06
2021	23.42
2022	6.242

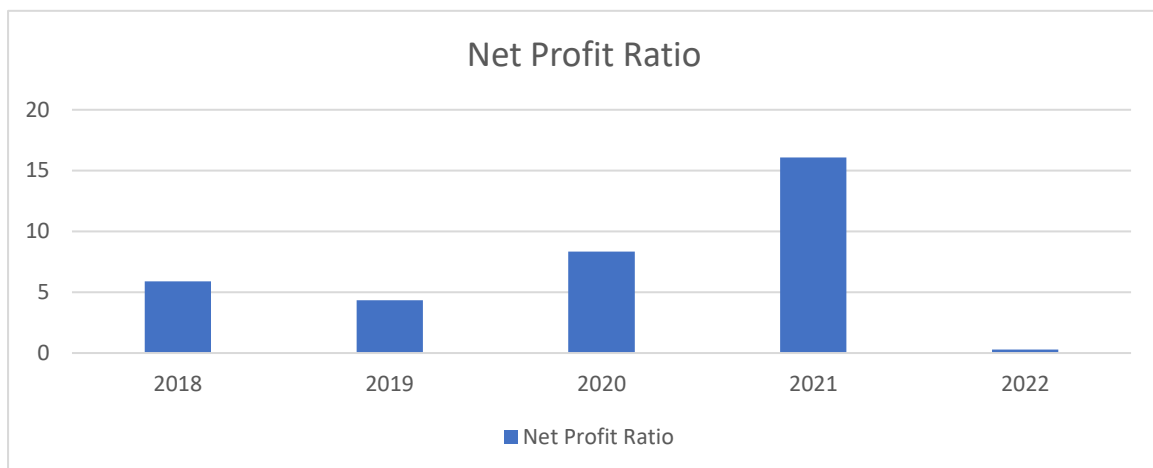


**Interpretation:** From the above graph represents the gross profit ratio from 2018-2022. The results range from 12.28-6.242 from year 2018-2022 of the firm. The firm indicates low margins in 2018 and gradually the firm has increased its margin to 6.242 in 2022.

## **2)NET PROFIT RATIO:**

The net profit percentage is the ratio of after-tax profits to net sales. It reveals the remaining profit after all costs of production, administration, and financing have been deducted from sales, and income taxes recognized. As such, it is one of the best measures of the overall results of a firm, especially when combined with an evaluation of how well it is using its working capital. The measure is commonly reported on a trend line. To judge performance over time. It is also used to compare the results of a business with its competitors.

Year	Net Profit/Net Sales*100	Net Profit Ratio
2018	$7.58/128.710*100$	5.88
2019	$71.71/1645.29*100$	4.35
2020	$112.49/1349.26*100$	8.33
2021	$220.96/1374.05*100$	16.080
2022	$55.07/18523.25*100$	0.297

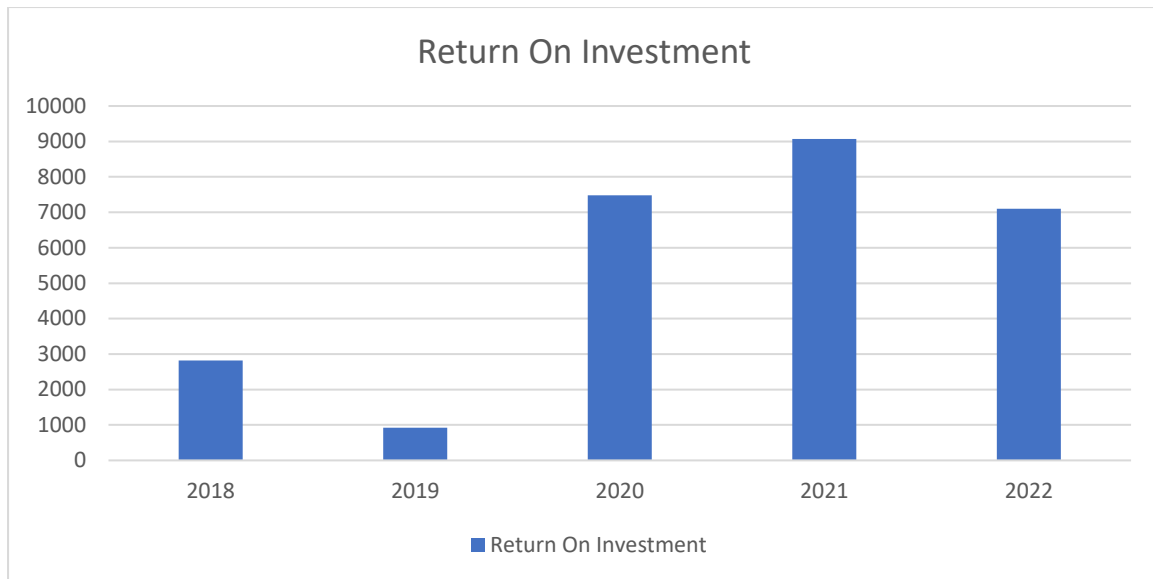


Interpretation: From the above graph represents the net profit ratio of the firm. The net profit of the firm shows positive results and it shows an efficiency of firm. Net profit ratio ranges from 5.88-0.297 from year 2018-2022 of the firm.

### **3)RETURN ON INVESTMENT:**

Return on investment (ROI) is a performance measure used to evaluate the efficiency or profitability of an investment or compare the efficiency of a number of different investments. ROI tries to directly measure the amount of return on a particular investment, relative to the investment's cost.

Year	ROCE ratio (%)
2018	2823
2019	921
2020	7483
2021	9074
2022	7099

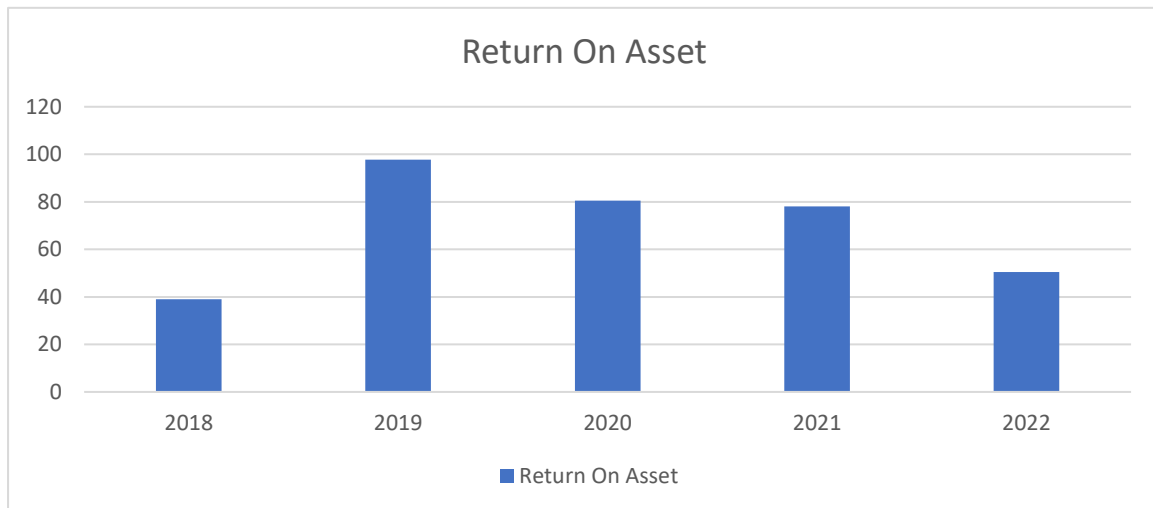


Interpretation: From the above graph represents the results for return on capital employed during 2018-2022. The firm is efficient in year 2021 a result of 9000 and least efficiency can be found in the year 2018 with a result of 2823.

#### **4) RETURN ON ASSETS RATIO:**

The return on assets ratio, often called the return on total assets, is a profitability ratio that measures the net income produced by total assets during a period by comparing net income to the average total assets. In other words, the return on assets ratio or ROA measures how efficiently a company can manage its assets to produce profits during a period.

Year	ROA (%)
2018	38.96
2019	97.78
2020	80.44
2021	78.03
2022	50.44



**Interpretation:** From the above graph represents the results of Return on assets of a firm from 2018-2022. The firm resulted in negative returns in the year 2018 and rest of the showed positive return on assets maximum returns were noticed in the year 2022. The result range from 38.96-50.44 from year 2018-2022 of the firm.



## **CHAPTER 6**

### **LEARNING EXPERIENCE**

I have done my organisation study report on Solara Active Pharma Science Ltd. It was a very good experience. This is a unique experience and gave me a good opportunity to learn and explore myself and also to understand various aspects of the company. I acquired a thorough understanding of how an organisation operates as well as knowledge of its history, profile, growth, vision, and mission through organisational study. And this one internship allowed me the opportunity to assess the company's progress. The report's goals were to gain practical experience, provide organisations with detailed knowledge of their job responsibilities, compare the real situation to the lessons learned in college and complete the MBA program's requirements.

## **BIBILOGRAGHY**

- Solara Active Pharm Science Ltd Company Profile

<https://solara.co.in/solara/>

- Porters five force Model

[https://studiousguy.com/document/porters-five-forces-Analysis-of Solara](https://studiousguy.com/document/porters-five-forces-Analysis-of-Solara)

- Mckinsey 7s Model

<https://corporatefinanceinstitute.com/frontpage/mckinsey7/solara-active-pharm-science-ltd>

- SWOT Analysis

<https://trendlyne.com/equity/swot-buy-or-sell/985/solara-active-pharm-solara>

- Financial Statement

[https://www.moneycontrol.com/india/stockprice-equote/solara active/S10](https://www.moneycontrol.com/india/stockprice-equote/solara-active/S10)

## ANNEXURE

### BALANCE SHEET:

Particulars	March 2022	March 2021	Mar20	Mar19	Mar18
<b>Liabilities</b>	12 Months	12 Months	12 Months	14 Months	14 Months
Share Capital	36.00	35.92	122.85	129.77	24.67
Reserve & Surplus	1491.05	1556.86	967.94	835.96	745.19
<b>Net Worth</b>	1527.05	1592.78	1090.79	965.74	769.87
Secured Loan	1024.57	515.71	586.50	439.43	573.08
<b>Total Liabilities</b>	2551.62	2108.49	1677.29	1405.16	1342.94
<b>Assets</b>					
Gross	1683.07	1625.90	1549.36	1189.27	10889.69
	348.92	266.89	175077	89.65	26015
- Dep					
<b>Net</b>	1334.15	1359.01	1374.09	1099.62	1062.54
Capital Work in Progress	238.65	87.72	40.21	33.65	70.31
Investment	18.13	18.13	18.03	149.13	18.53
Inventories	575.55	294.97	279.73	201.63	187.66
Sundry Debtors	489.67	483.81	229.67	268.95	263.35
Cash and Bank	47.14	198.38	56058	73.83	46093
Loans and Advances	246.38	168.15	153.30	108.01	167.86
<b>Total Current Assets</b>	1358.74	1145.31	719.28	652.41	665.79

Current Liabilities	385.12	488.49	461.93	519.49	465.64
Provisions	12.93	13.19	12.39	10.16	8.59
<b>Total Current Liabilities</b>	398.05	501.68	474.32	529.65	474.23
<b>Net Current Assets</b>	960.69	643.63	244.96	122.76	191.56
<b>Total Asset (A+B+C+D+E)</b>	2551.62	2108.49	1677.29	1405.16	1342.94

**PROFIT AND LOSS ACCOUNT:**

Particulars	Mar22	Mar 21	Mar 20	May 19	May 18
<b>Income</b>					
Sales Turnover	1268.34	1616.88	1321.75	1367.26	520.97
<b>Net Sales</b>	1287.10	1645.29	134.26	1374.05	523.25
Other Income	18.7600	28.4100	27.5100	6.7900	2.2760
<b>Total Income</b>	1287.10	1645.29	1349.26	1374.05	523.25
<b>Expenditure</b>					
Manufacturing Expenses	92.12	84.06	76.22	72.64	31.41
Material Consumed	681.32	753.84	623.62	723.76	277.50
Personal Expenses	234.20	227.63	202.24	179.92	67.56
Administration Expenses	180.35	166.02	163.14	164.88	80.24
<b>Total Expenditure</b>	1187.99	1231.55	1065.22	1141.20	456.70
Operating Profit	80.35	385.33	256.53	226.06	64.27

<b>EBITDA</b>	99.11	413.74	284.04232.85	66.54	
Dep	112.01	108.31	93.67	78.73	33.83
<b>EBIT</b>	-88.17	220.96	11249	69.69	7.58
Taxes	-33.10	00	00	00	00
Profit & Loss for the year	-55.07	220.96	112.49	71.71	7.58
Non- Recurring items	-148	-253	-329	-9.02	-5.88
<b>PAT</b>	-58.56	220.96	112.49	62.01	1.95

Equity Dividend	10.78	19.74	15.66	00	00
Equity Dividend	10.78	19.74	15.66	00	00
Equity Dividend (%)	29.94	54.96	58.32	00	00
Shares in Issue	359.96	359.30	268.55	257.74	246.74

