

# Ranbaxy woes continue to dog Sun Pharma

Clean-up expands to US; Sun recalls 1mn units of anti-allergic drug made by Ranbaxy arm

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Sun Pharmaceutical Industries has initiated a recall of a little over a million boxes of Loratadine, an anti-allergic drug, from the US market after checks revealed the tablets were 'super potent' and 'out of specification'. Such recalls are done by drug makers if there is a defect in the product, which, if unaddressed, could result in stricter action from regulators. Sun did not comment on the recall.



The recalled drugs were manufactured and distributed in the US by Ohm Laboratories, a New Jersey-based subsidiary of Ranbaxy. The latter was acquired by Sun last year in a \$4-billion deal, making it the largest Indian pharmaceutical company by sales.

**On Wednesday, Sun stock ended at ₹901 apiece on BSE, down 0.49% from its previous close**

All four factories of the erstwhile Ranbaxy — Mohali and Toansa in Punjab, Dewas in Madhya Pradesh and Paonta Sahib in Himachal Pradesh — are under a US Food and Drug Administration (FDA) import alert (meaning an import barrier, for various breaches). Now, Sun has an added responsibility of resolving issues at Ranbaxy's US manufacturing operations, too, as it has come under the FDA scanner. Sun has eight manufacturing units in the US.

The US contributes to half of Sun Pharma's revenue but its sales there have been hit after the FDA imposed restrictions on production facilities in India.

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