

Financial Express, Delhi
Saturday 1st February 2014, Page: 20
Width: 25.32 cms, Height: 6.49 cms, adr, Ref: pm/in.2014-02-01.40.111

Daiichi pledges action on Ranbaxy production issues

Tokyo, Jan 31: Japan's Daiichi Sankyo said it would step up support of drugmaking arm Ranbaxy Laboratories and send personnel to help resolve problems at a factory that US regulators have banned from supplying pharmaceutical ingredients.

"We have already put a lot of effort into our support

but that has not been enough," Manabu Sakai, senior executive officer at Daiichi Sankyo, told an earnings briefing on Friday.

"We want to go back and prepare a more aggressive, more drastic response," Sakai said it was inevitable the incident would affect Daiichi Sankyo's

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earnings but was unable to give concrete numbers. The company is not thinking about reducing its stake in Ranbaxy, he added, al-

though financial support would be among the actions it will look at. The US Food and Drug Administration last week

banned Ranbaxy's Toansa plant, a key supplier of ingredients to the generic drugmaker's US factory, from sending its products to the US due to manufacturing violations. It was the fourth Ranbaxy plant to be shut out of the US market.

"There's been a steady increase in the things that we need to do," Sakai said,

adding Daiichi Sankyo would dispatch additional personnel to the plant to help sort out problems. Daiichi Sankyo's shares are down nearly 10% since last week's news on the Toansa plant. On Friday they rose 2.7% to 1,723 yen, bouncing from a five-month low hit the day before.

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