

Ranbaxy parent goes into firefighting mode

BITTER MEDICINE Japan's Daiichi Sankyo sends officials to India to fix problems in plants hit by US regulatory checks

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NEW DELHI: Daiichi Sankyo, the Japanese parent that owns a controlling stake in Ranbaxy Laboratories, has sent its officials to check and rectify flaws at Ranbaxy's formulation plants in India following the US Food and Drug Administration's (USFDA's) ban on shipment of medicines from a fourth facility to the US.

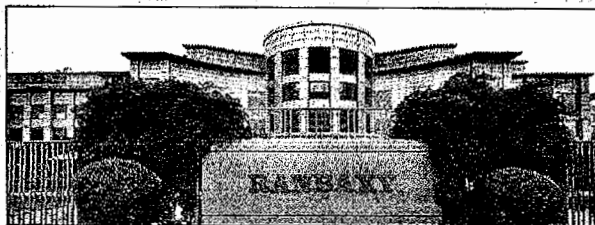
The company is also set to rethink its strategy now that Ranbaxy's Toansa unit has been banned from shipping to the US. Its analytics lab has also come in for harsh criticism from the US regulator. The unit was catering to 70% of the company's raw material requirements.

While not denying sending a team to India, Daiichi told *HT* in an email that it is working on a comprehensive policy for Ranbaxy, and is assisting it to complete formalities related to the import ban.

"Ranbaxy is replying to Form 483 from USFDA. We, Daiichi Sankyo, are supporting and focussing on this action as a matter of high priority," Toshiya Kondo, senior director, Daiichi Sankyo, said. "For further approach to solve a series of the problems, we think we need a comprehensive policy after this."

However, a top Ranbaxy exec-

HEALTH ISSUES WORSEN



4 No. of Ranbaxy's plants that have been slapped with an export ban

\$500mn

Amount the company agreed to pay as penalties for selling adulterated medicines in the US and lying about it to authorities

DOMESTIC SCRUTINY

■ Drug Controller General of India to inspect Ranbaxy plants in India

BRAND VALUE AT STAKE

■ Violation of hygiene, good manufacturing practices can result in suspension of licence in India

■ A USFDA-type of ruling by DGCA can potentially stall sales in the domestic market as well

utive said a few advisers from Daiichi had come to inspect the formulation plants. "They want to understand the basis of allegations imposed by USFDA, how intense the allegations are and whether it is the fault of employees or top management," a senior Ranbaxy official said on condition of anonymity.

Daiichi is also said to be pressing the Ranbaxy management to come out with new and stricter measures. The company, however, did not comment on the

issue. "At this moment, we are not able to share specific measures with you. When we decide the further business plan, we would like to disclose it externally," said Kondo.

Ranbaxy has been caught in string of face-offs with regulators and recently faced USFDA ban on its active pharmaceutical ingredient factory at Toansa. Formulation facilities at Mohali, Poanta Sahib and Dewas have also been barred from supplying medicines to the US.

Company