

Sun Pharma denies insider trading charges in Ranbaxy deal

NEW DELHI, APRIL 9

Sun Pharma today denied insider trading charges against Silverstreet Developers LLP — its wholly owned subsidiary — in the \$4 billion acquisition deal of Ranbaxy Laboratories.

Silverstreet Developers LLP, which had no holding in Ranbaxy at the end of September 2013, had bought shares of the Gurgaon-based firm aggregating 1.41% stake by end of December 2013. As on March 31, 2014, its holding stood at 1.64%.

In a statement, Sun Pharma said the matter related to purchase of shares of

Deal under SEBI scanner

- SEBI has received multiple complaints about alleged irregularities in trading of Ranbaxy shares before the announcement of deal
- SEBI has started collating data related to the matter from stock exchanges and clearing corporations
- Shares of Ranbaxy had witnessed substantial movements last week itself. From March 31 to April 4, Ranbaxy's shares jumped 26%



Ranbaxy Laboratories Ltd by Silverstreet Developers LLP "does not violate insider trading rules". It has been reported that

Sudhir V Valia, brother-in-law of Sun Pharma managing director Dilip Shanghvi, was one of the partners of Silverstreet Developers LLP. Sun

Pharma, however denied this.

"Sudhir Valia is not and was not a partner of Silverstreet Developers LLP when purchase of shares of Ranbaxy Laboratories Ltd was effected by LLP," the company said.

Explaining how it has not violated insider trading rules, Sun further said: "Silverstreet Developers LLP has two partners. Both are 100% subsidiaries of Sun Pharma.

Hence, all the benefits flowing from the investment in Ranbaxy shall accrue to Sun Pharma. Sun Pharma shares today closed at Rs 627.80 on the BSE, up 6.91% from its previous close. — PTI

Company