

The ₹1 trillion FDA impact on Indian pharma

BY REGHU BALAKRISHNAN &
RAVINDRA SONAVANE

MUMBAI

The market capitalization of India's top five pharma companies, Sun Pharmaceutical Industries Ltd, Dr Reddy's Laboratories Ltd, Cipla Ltd, Lupin Ltd and Wockhardt Ltd, have fallen by ₹99,235 crore between the time their stocks touched their peaks in the past year, and Monday.

Much of the fall can be attributed to warnings and import alerts issued by the US Food and Drug Administration (US FDA) on manufacturing plants of the five companies. The US is the world's largest generics (or off-patent drugs) market, and an important source of business for most Indian pharma companies.

For instance, shares of Dr Reddy's saw a fall of 15%, the most in 11 years, to ₹3,629.55 on

TURN TO PAGE 12

Indicim