

Sun looks to seal buyout of Ranbaxy

Hyderabad, Jan. 25 (PTI): Drug major Sun Pharma's top executive Dilip S. Shanghvi expects the \$4-billion Ranbaxy deal to be concluded by the middle of next month, while stating that the key challenge before the combined entity would be to rebuild the confidence of health regulators.

"I think the Punjab and Haryana high court will hear the issue of merger on February 2. Once we get the approval (from the court), then it will take a few more days. We need to meet certain company laws. So, hopefully by middle of February we should be able to close the deal," Sun Pharma managing director Dilip S. Shanghvi said.

On the FDA ban on Ranbaxy facilities, he said, "Of course... I think more than anything else the ability to regain the confidence and trust of the regulator is the most important challenge for us."

The FDA has imposed a ban on the drugs produced at Ranbaxy's plants in India to the US. Later, the company faced overseas troubles in Europe where it has been barred from exporting certain antibiotics produced at its Dewas plant to Germany for non-compliance to "good manufacturing practices" norms by the German health regulator.

"If this merger happens by February then we will announce result of the combined entity for fourth quarter," Shanghvi said on the sidelines of the release of a book by founder of Dr Reddy's Laboratories Late K. Anji Reddy, *An Unfinished Agenda: My Life in the Pharmaceutical Industry*.

In April last year, Sun Pharma and Ranbaxy announced that they had entered into definitive agreements pursuant to which Sun Pharma would acquire 100 per cent of Ranbaxy in a \$4-billion deal.

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