

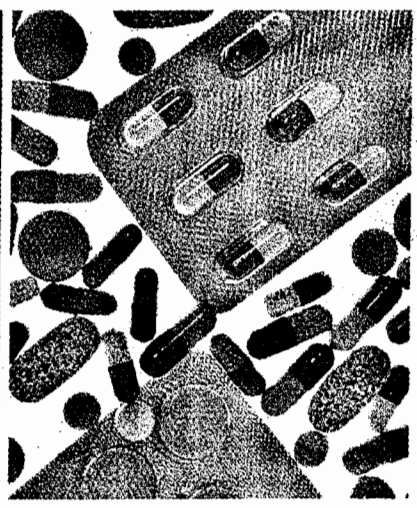
USA uses non-trade tricks to curb drug firm Ipca's exports

Company's shares plummet by over 8% after American regulator's dubious 'import alert'

NEW DELHI: The US health regulator has issued import alert on drugs produced at Ipca Laboratories Raddam in Madhya Pradesh, following which the company has suspended shipment of active pharmaceutical ingredients to the American market.

"We now wish to inform you that US Food and Drug Administration (USFDA) has issued an import alert to the said manufacturing facility (Raddam) on January 22, 2015," Ipca Laboratories said in a filing to the BSE. Consequently, the company has voluntarily decided to temporarily suspend API (active pharmaceutical ingredients) shipments from this manufacturing facility for the US markets till this issue is addressed, it added.

Under the import alert, authorities can detain without physical examination of unapproved new drugs promoted in the US. The development follows an inspection by at the company's API manufacturing



The US-victimised Indian firm has voluntarily decided to temporarily suspend active pharmaceutical ingredient shipments for US markets until the issue is addressed

unit at Raddam in Madhya Pradesh by US Food and Drug Administration (USFDA) officials, who had made certain inspection observations in Form 483, it added.

Under Form 483 Form USFDA officials commu-

nicate concerns related to non-compliance of manufacturing norms discovered during inspections at manufacturing units but is not a final observation from the US health regulator. However four APIs -- Hydroxychloroquine

Sulfate, Propenolol Hydrochloride, Trimethoprim and Ondansetron manufactured at the said manufacturing facility are excluded from the import alert, it added. Shares of Ipca Laboratories were trading at Rs 643 per scrip during the afternoon trade, down 8.05 per cent from the previous close on the BSE.

Shares of Ipca Laboratories ended with a steep loss of over 8 per cent on Friday as a result of the import alert. After plunging 8.9 per cent to Rs 637 in intra-day trade at the BSE, shares of Ipca Lab finally ended at Rs 639.15, down 8.60 per cent from previous close. At the NSE, the stock slumped 8.74 per cent to close at Rs 637.85. Following the sharp decline in the stock, the company's market value tumbled Rs 760.84 crore to Rs 8,064.16 crore. In terms of volume, 4,60 lakh shares of the company changed hands at the BSE, while over 24 lakh shares were traded at the NSE during the day.

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