

Sun Pharma seeks shareholders' nod for ₹12,000-crore QIP

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Sun Pharmaceutical Industries, India's largest drug maker by value, is looking to get shareholders' approval to raise qualified institutional placement (QIP) worth ₹12,000 crore at its 27th annual general meeting to be held by the end of September.

Sun Pharma stated the company wanted shareholders' approval to "issue, offer and allot equity shares or non-convertible securities, other than warrants, up to an amount of

₹12,000 crore (\$2 billion), to qualified institutional buyers pursuant to a QIP." It is also considering shareholders' nod for borrowing ₹50,000 crore.

The purpose behind raising the fund is not known. Last year, there were reports that Sun Pharma was in talks to buy Sweden's Meda AB for a sum between \$5 billion and \$6 billion, to boost its generics business in developed markets.

Shares of Sun Pharma fell on the BSE on Thursday following reports of a surprise inspection by US Food and Drug Administration officials

at its Halol unit on Wednesday. The stock fell six per cent intraday to touch a low of ₹808, before closing at ₹822.8, a loss of ₹36.8 or 4.29 per cent.

The surprise inspection took place due to an increased number of recalls from the plant. Sun Pharma recently recalled 40,000 bottles of Venlafaxine Hydrochloride extended-release tablets, Gemcitabine and Metformin, manufactured at Halol from the US market.

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