

Daiichi may step in to resolve Ranbaxy's quality issues

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As per reports, the Daiichi Sankyo has conveyed that the recent banning of Ranbaxy's plant in Punjab (India) would inevitably affect its earnings. The company hasn't so far given any concrete numbers. The company is not thinking about reducing its stake in Ranbaxy although financial support would be among the actions it will look at.

The U.S. Food and Drug Administration has banned Ranbaxy's Toansa plant, a key supplier of ingredients to the generic drugmaker's U.S. factory, from sending its products to the United States due to manufacturing violations. It was the fourth Ranbaxy plant to be shut out of the U.S. market.

Daiichi Sankyo's shares are down nearly 10 percent since last week's news on the Toansa plant. Last week, they rose 2.7 percent to 1,723 yen, bouncing from a five-month low hit the day before.