

## Sun Pharma transfers domestic formulations distribution to subsidiary

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Sun Pharma, India's top pharmaceutical company has announced some changes and clarifications. It has decided to transfer its domestic formulations distribution from Aditya Medisales Ltd to a wholly owned subsidiary. This change will be made effective by Q1FY20, post receipt of all requisite regulatory approvals.

Sun Pharma also declared to settle down loans & advances given to Atlas Global Trading amounting to Rs.2,238 crore as the parties to the supply contract have now agreed in principle, that Atlas will assign its rights and obligations arising from contract, to wholly owned subsidiary of the company.

In September 2014, Sun Pharma's Halol facility (Gujarat) was impacted by US FDA cGMP issues which were finally resolved in June 2018, after nearly 4 years. These cGMP non compliances resulted in supply constraints thereby, Sun Pharma was not able to adhere to the agreed supply schedule with Atlas. Sun Pharma, in FY18, has funded Atlas towards non-fulfilment of its supply obligations till the time such obligations are fulfilled as per the agreement. The said funding was included in Loans & Advances schedule of Sun Pharma's FY18 consolidated balance sheet. his transaction is expected to be concluded in FY19.

Sun Pharma has initiated steps to induct S R B C & CO LLP, its statutory auditors, as auditors of subsidiaries that are currently audited by Valia & Timbadia.

Sun Pharma hereby confirms affirmatively that neither any loans nor guarantees have been given to Suraksha Realty. Sun Pharma would like to dispel all falsehoods being spread about its financial dealings with Suraksha Realty. The company states unequivocally that it does not have any financial transactions with Suraksha Realty.