REDICA Systems

# Aurobindo's Quality Problems: A Timeline of Regulatory Actions and Recalls

EXPERT REPORT

WRITTEN BY

JON FALKER
VP OF MARKETING
AT REDICA SYSTEMS

## INTRODUCTION

Aurobindo Pharma (ticker: AUROPHARMA (NSE)), a prominent name in the global pharmaceutical industry, has faced significant quality control issues over the past few years. These problems have led to multiple regulatory actions by the U.S. Food and Drug Administration (FDA), impacting both Aurobindo and its subsidiaries. This blog post delves into the recent (2022-2024) timeline of these events, highlighting the challenges Aurobindo has faced and the implications for its business and reputation.

Aurobindo is primarily a contract manufacturer of generic drugs. They produce many different kinds of drugs for export all over the world, including finished dosage form (FDF) and active pharmaceutical ingredients (API) spanning oral over-the-counter (OTC) products like ibuprofen to parenterally administered antibiotics and antivirals.

The company is systemically important in terms of the share of the U.S. generic drug supply. This has put U.S. regulators in a bind: if they apply consumer protection measures when faced with evidence of poor quality, taking steps such as import alerts, it crimps the supply of critical generic drugs in the United States. On the other hand, if they don't, they put consumers at risk and the door is open for future quality problems.

The Aurobindo family of companies is complex, as shown by the organization family tree below from Redica Systems. The corporate headquarters of Aurobindo is in India, but it does have facilities in the United States and other countries.

Many of the most recent regulatory enforcement actions have been targeted at Apitoria and Eugia sites in India.


FIGURE 1 | SCREENSHOT OF AUROBINDO FAMILY TREE IN THE REDICA SYSTEMS PLATFORM

## TIMELINE OF KEY ENFORCEMENT EVENTS 2022-2024

This timeline lists most but not all of the FDA enforcement activities related to the Aurobindo family of companies from 2022-2024.

### *FDA Warning Letter to Apitoria (January 12, 2022)*

In January 2022, the FDA issued a warning letter to Apitoria, a subsidiary of Aurobindo Pharma. The letter outlined several quality control issues, signaling the beginning of a series of recent regulatory challenges for the company. The Warning Letter states: "This warning letter summarizes significant deviations from current good manufacturing practice (CGMP) for active pharmaceutical ingredients (API).

Because your methods, facilities, or controls for manufacturing, processing, packing, or holding do not conform to CGMP, your API are adulterated within the meaning of section 501(a)(2)(B) of the Federal Food, Drug, and Cosmetic Act (FD&C Act), 21 U.S.C. 351(a)(2)(B)."

### *Recall: Polymyxin B (January 26, 2022)*

"AuroMedics Pharma LLC has initiated a voluntary recall of lot number CPB200013 of Polymyxin B for Injection USP, 500,000 Units/Vial, to the consumer level from the USA market due to a product complaint for the presence of particulate matter, identified as hair being discovered in a vial within this lot."

### *Recall: Quinapril and Hydrochlorothiazide Tablets (October 24, 2022)*

"Aurobindo Pharma USA, Inc. has initiated a voluntary recall of two (2) lots … of Quinapril and Hydrochlorothiazide Tablets USP 20mg / 12.5mg, to the consumer level from the US market due to presence of Nitrosamine Drug Substance Related Impurity (NDSRI), N-Nitroso-Quinapril above the proposed interim limit."

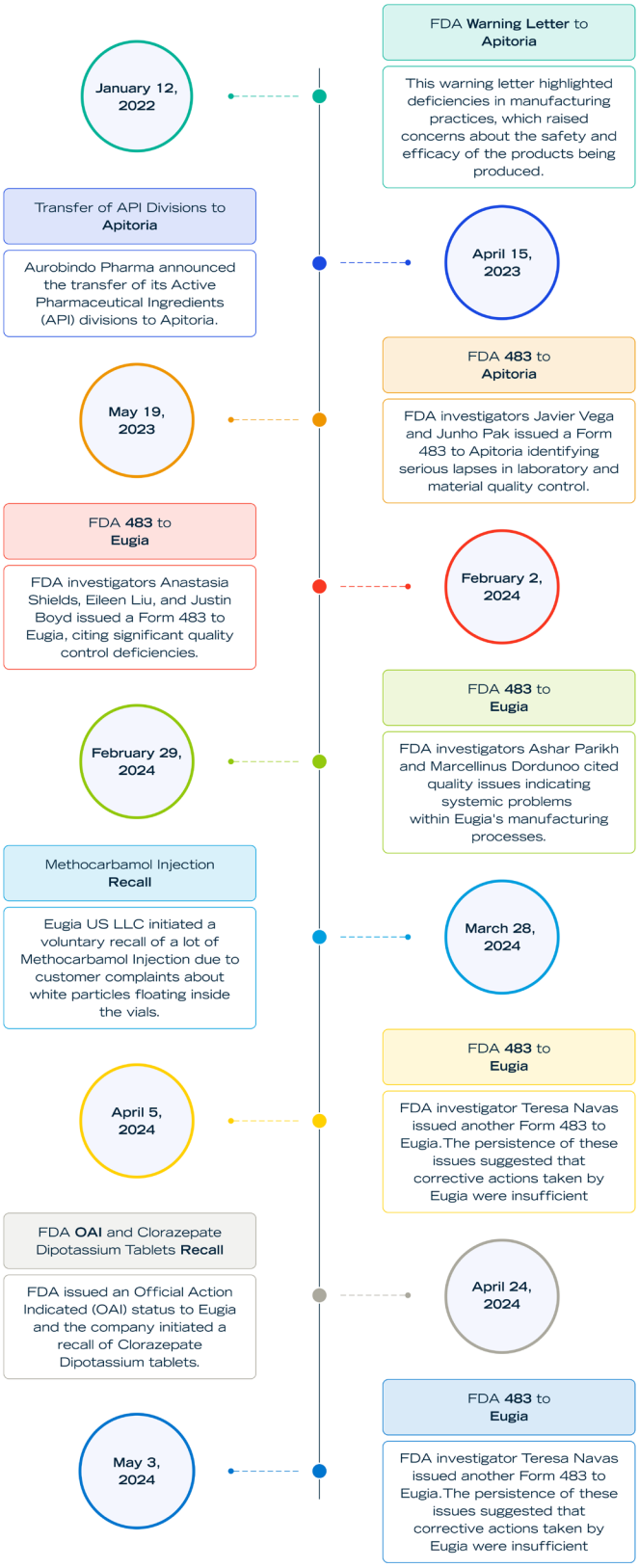


**FIGURE 2 | TIMELINE OF AUROBINDO 2022-2024 ENFORCEMENT ACTIONS**

### *Transfer of API Divisions to Apitoria (April 15, 2023)*

In April 2023, Aurobindo Pharma announced the transfer of its Active Pharmaceutical Ingredients (API) divisions to Apitoria. This included both the antibiotic and non-antibiotic API businesses, with the transfer effective from October 1, 2023. The rationale behind this restructuring was to streamline operations and enhance focus on core business areas. However, this move did not mitigate the ongoing quality control issues.

### *FDA 483 to Apitoria (May 19, 2023)*

Just a month after the transfer announcement, FDA investigators Javier Vega and Junho Pak issued a Form 483 to Apitoria. This form is issued when investigators observe conditions that may violate the Food, Drug, and Cosmetic Act. The investigators observed dirty equipment identified as clean, a lack of control of raw materials that could lead to degradation of manufacturing ingredients, and laboratory practices that could fail to identify the quality problems these deficiencies and others could cause.

### *FDA 483 to Eugia (February 2, 2024)*

In early 2024, FDA investigators Anastasia Shields, Eileen Liu, and Justin Boyd issued a Form 483 to Eugia, another subsidiary of Aurobindo. The 26-page 483 lists multiple deficiencies in sterile manufacturing operations that could lead to product contamination, falsified filter testing and environmental monitoring data, and undocumented interventions in the sterile filling area. The nine detailed observations taken together indicate a systemic lack of control and high potential for microbial contamination of aseptic products.

### *FDA 483 to Eugia (February 29, 2024)*

Later that same month, Eugia faced another FDA inspection at a neighboring site, resulting in a second Form 483 issued by investigators Ashar Parikh and Marcellinus Dordunoo. Issues with sterile filling area interventions in this case were observed and pointed to a likelihood for product contamination. Combined with substandard deviation investigations into endotoxin results and process control and equipment deficiencies these findings support previous inspection results and indicate systemic issues in manufacturing and contamination control.

### *Recall: Methocarbamol Injection (March 28, 2024)*

On March 28, 2024, Eugia US LLC initiated a voluntary recall of a lot of Methocarbamol Injection due to customer complaints

about white particles floating inside the vials. This recall was a significant event, as it directly impacted consumers and underscored the severity of the quality control issues at Eugia. The recall notice noted: "Risk Statement: Administration of an injectable product that contains particulate matter may result in local irritation or swelling. If the particulate matter reaches the blood vessels or is injected intravascularly it can travel to various organs and block blood vessels in the heart, lungs or brain which can cause stroke and even lead to death. To date, Eugia US LLC has not received any reports of adverse events related to this recall."

### *FDA 483 to Eugia (April 5, 2024)*

A few days later, FDA investigator Teresa Navas issued another Form 483 to Eugia. This inspection revealed ongoing quality control problems, despite previous warnings and recalls. The persistence of these issues suggested that corrective actions taken by Eugia were insufficient.

### *FDA OAI and Clorazepate Dipotassium Tablets Recall (April 24, 2024)*

On April 24, 2024, the FDA issued an Official Action Indicated (OAI) status to Eugia and the company initiated a recall of Clorazepate Dipotassium Tablets. The OAI status is a serious regulatory action indicating that significant violations were found, and corrective measures were mandated.

### *FDA 483 to Eugia (May 3, 2024)*

The most recent inspection on May 3, 2024, led to another Form 483 issued to Eugia by FDA investigators Justin Boyd, Anastasia Shields, and Vaishali Patel. This latest inspection identified additional quality control issues, reinforcing the pattern of regulatory scrutiny and enforcement actions against Eugia.

## VENDOR RISK SCORING AND ASSESSMENT

Redica Systems creates a Vendor Risk Score for key life sciences vendors. The lower the score, the better. As shown in the tables below, the Aurobindo family of companies had some scores rated as Very Poor over the past five years, including Apitoria Pharma Private Limited in Sangareddy and in Mandal, India. They also had one U.S. facility, Aurolife Pharma LLC, in Dayton, Ohio, rated as Very Poor.

Vendor Site Score Table

| Site App Id | Site Display Name | Site Country | Last 10 Year Score | Last 5 Year Score |
|---|---|---|---|---|
| 100008460 | Aurolife Pharma LLC [Dayton / United States of America] | United States of Ame... | 51 - Very Poor | 73 - Very Poor |
| 100052583 | Apitoria Pharma Private Limited [Sangareddy / India] | India | 57 - Very Poor | 73 - Very Poor |
| 100006502 | Apitoria Pharma Private Limited [Sangareddy / India] | India | 63 - Very Poor | 68 - Very Poor |
| 100014936 | Apitoria Pharma Private Limited [Mandal / India] | India | 20 - Poor | 43 - Very Poor |
| 100031539 | Aurobindo Pharma Limited [Mahabubnagar / India] | India | 24 - Poor | 41 - Very Poor |
| 100000255 | EUGIA PHARMA SPECIALITIES LIMITED [Sangareddy / India] | India | 62 - Very Poor | 38 - Very Poor |
| 100034744 | EUGIA SEZ PRIVATE LIMITED [Mandal Mahabubnagar / India] | India | 27 - Poor | 19 - Poor |
| 100114042 | AUROBINDO PHARMA LIMITED [Ruislip / United Kingdom of Great Britain and Northern Ireland] | United Kingdom of G... | 10 - Poor | 10 - Poor |
| 100039554 | EUGIA PHARMA SPECIALITIES LIMITED [Bhiwadi / India] | India | 24 - Poor | 10 - Okay |
| 100282335 | Eugia Pharma Inc. [Woodbridge / Canada] | Canada | 10 - Okay | 10 - Okay |
| 100004171 | Aurobindo Pharma Limited [Sangareddy / India] | India | -2 - Okay | 9 - Okay |
| 100016460 | Aurobindo Pharma Limited [Medchal / India] | India | 2 - Okay | 8 - Okay |
| 100263457 | Aurobindo Pharma Limited [Nagar / India] | India | 8 - Okay | 8 - Okay |
| 100048101 | Apitoria Pharma Private Limited [- / India] | India | 7 - Okay | 7 - Okay |
| 100109308 | Eugia US Manufacturing LLC [Jersey / United States of America] | United States of Ame... | 7 - Okay | 7 - Okay |
| 100047562 | Aurohealth LLC [Jersey / United States of America] | United States of Ame... | -4 - Okay | 6 - Okay |
| 100337160 | Eugia Steriles Private Limited [India / India] | India | 6 - Okay | 6 - Okay |

**FIGURE 3 | SCREENSHOT OF AUROBINDO SITE SCORE TABLE IN THE REDICA SYSTEMS PLATFORM**

Comparing the trailing ten-year score with the trailing five-year score, certain facilities have gotten worse, while a few have improved.

In Redica Systems' calculation of Vendor Risk Scores, more important events are weighted more heavily.

### *Greater Industry Need for Vendor Quality Management*

As the global pharmaceutical supply chain has gotten more complex, and the demand for generics has increased, it has become more difficult to carefully monitor and verify the quality and efficacy of the product shipping out of production sites.

The good news is that new tools to better harness data empower pharmaceutical sponsors to make better supply partnership decisions and to monitor their partners on an ongoing basis.

## REPORT HIGHLIGHTS DEEPER CONCERNS

A February 2024 report by a reshoring advocacy group, the Coalition for a Prosperous America, highlights several critical areas of concern for Aurobindo and its subsidiaries, which further contextualize the issues identified in the timeline above:

### *Product Quality Lapses and Recalls*

- The FDA has issued multiple warning letters and conducted numerous inspections revealing serious lapses in Aurobindo's manufacturing processes. For example, in January 2022, Aurobindo's subsidiary Eugia US LLC recalled the antibiotic Polymyxin B for injection due to contamination.
- Aurobindo is among the leaders in product recalls by Indian companies, with 54 product recalls over the last five years.

### *Accused of Corruption and Lack of Transparency*

- Aurobindo has been involved in several corruption cases, including insider trading, money laundering, and corrupt land dealings.

### *Environmental and Safety Issues*

- The company has faced multiple notices and fines for environmental violations, including pollution and safety incidents that have resulted in injuries and fatalities among employees. One of the most recent examples is this news from April 2024 about an employee fatality during the pressure testing of a vacuum tray dryer.

## CONCLUSION

Over the past few years, Aurobindo Pharma and its subsidiaries have faced persistent quality control issues, leading to multiple regulatory actions and product recalls. These problems have affected the company's operations and reputation in the industry. The repeated findings of deficiencies highlight the importance of stringent quality control measures and proactive management in ensuring product safety and compliance with regulatory standards.

The problems in the generic drug supply chain raised in Katherine Eban's 2019 book Bottle of Lies haven't yet been solved. Some progress has been made, but the industry has much work to do. The rise of AI/ML-enabled tools to deliver enhanced Quality and Regulatory Intelligence will help pharmaceutical sponsors and their production partners make needed further progress.

Subscribe to the Redica Systems blog to stay informed about pharmaceutical quality control issues and regulatory actions. We provide updates on industry news, insights into regulatory developments, and analysis of key events affecting the pharmaceutical and medtech sectors. Don't miss out on important information that could impact your business decisions.