Cipla Medpro's chief financial officer quits

By Tamar Kahn

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South Africa's third biggest pharmaceutical company Cipla Medpro announced on Monday (26 November) that its chief financial officer Chris Aucamp had resigned with immediate effect, but would remain a director of one of its subsidiaries Medpro Pharmaceutical until at least the end of March.

Ordinarily the resignation of a company's chief financial officer would not elicit much attention, but Aucamp's resignation comes shortly after Cipla Medpro founder Jerome Smith quit following allegations of financial irregularities. These included Smith paying himself R3.6m in unauthorised bonuses - which he has paid back - and taking undeclared interest-free loans from the firm.

Vunani Securities analyst Anthony Clark said Aucamp's departure was not unexpected as the new senior management team at Cipla Medpro needed to be seen to be making changes in order to improve the company's image in the eyes of investors.

"I'm surprise it didn't happen earlier because as CFO he should have been aware of what was happening at a governance level," said Asief Mohamed, an analyst at Aeon Investment Management.

Neither Aucamp nor the company's acting chief executive Johan du Preez would elaborate on the reasons for his departure.

"I am not at liberty to comment," said Aucamp, referring queries to Du Preez.

Du Preez said the board had chosen to handle the matter internally and restrict its comments to a statement issued via the JSE's news service. No disciplinary enquiry had been held into Aucamp's conduct, he said.

Cipla Medpro said company secretary Mark Daly had been appointed chief financial officer and an executive director of the company.

Daly, who was also the financial director of Cipla's Durban manufacturing facility, has been with the company for six years. Aucamp would remain with the company to help finalise the 2012 year-end audit and annual financial statements, and ensure a smooth hand over to Daly. It would make an announcement regarding the appointment of a new company secretary in due course, it said.

Earlier this month Cipla Medpro announced the appointment of two deputy chief executives, Mark Sardi and Skhumbuzo

Ngozwana.

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