

Press Release

Granules India announces acquisition of Auctus Pharma and opening of a new R&D Facility

Hyderabad, November 4, 2013: Granules India, a fast growing pharmaceutical manufacturer, announced the signing of a definite agreement for the acquisition of Auctus Pharma, a leading API manufacturer. The acquisition process is expected to be completed in the next three to six months.

Auctus has two manufacturing facilities, an API facility in the Pharmacity in Vishakhapatnam and an Intermediate facility in Hyderabad. The API facility has approvals from leading regulatory agencies including the U.S. FDA, EDQM, Health Canada, KFDA and WHO-GMP.

Auctus' product portfolio includes twelve APIs as well as key intermediates of those APIs. The portfolio includes APIs in several therapeutic categories such as Antihistaminic, Antihypertensive, Antithrombotic and Anticonvulsant as well as other therapeutic categories. Auctus currently sells its APIs and intermediates to customers in fifty countries. The team and assets from the acquisition will initially operate as a separate division with Granules.

Granules also announced the opening of a 10,000 sq. foot R&D facility in Hyderabad. The new R&D will focus on full scale generic API development and will supplement the Company's existing R&D facility in Pune which currently focuses on sustainable technology development.

“The acquisition of Auctus fits into our strategy of being a fully integrated manufacturer while diversifying our product portfolio by adding high-value products with significant market demand. Auctus provides Granules with a meaningful API platform with a U.S. FDA approved site to strengthen our Finished Dosage division. Granules will offer tremendous value to customers since we can provide supply security all the way from key intermediates to finished dosages for these products. We will be a market leader by implementing our operational excellence philosophy while leveraging Auctus' regulatory approvals. In order to accelerate growth with a sustainable development engine, we have established a new R&D facility to enable Finished Dosage filings for our new APIs” said Krishna Prasad, Managing Director of Granules India.

“The acquisition is one part of our three-prong growth strategy. We remain committed to building on our position as a global leader for our existing products which include Paracetamol, Metformin, Ibuprofen and Guaifenesin. We will continue to strengthen our lead over others by focusing on continuous improvements and capacity enhancements in existing and new products. In addition, our team is eagerly awaiting the commercialization of our third growth driver, Granules OmniChem, a collaboration with Ajinomoto OmniChem, a premier CRAMs manufacturer” said Harsha Chigurupati, Executive Director of Granules India.

About Granules India Ltd.

(BSE: 532482, NSE: GRANULES)

Granules is a fast growing pharmaceutical manufacturing company with world class facilities and is committed to manufacturing excellence, quality and customer service. The Company produces Finished Dosages (FDs), Pharmaceutical Formulation Intermediates (PFIs) and Active Pharmaceutical Ingredients (APIs) for quality conscious customers in the regulated and semi-regulated markets. Granules support customers with unique value, extensive product range, proactive solutions and a global network of associates. The Company's global presence extends to over 300 customers in 60 countries



through offices in India, U.S., U.K., China and Colombia. Granules offer all three components of the pharmaceutical value chain which gives the customers flexibility and choice.

Granules has the largest PFI facility in the world with an industry leading 6 ton batch size. The Company has its own ANDAs and dossiers which enable customers to quickly enter a market instead of filing their own applications. Granules has a highly skilled regulatory affairs department that can offer customers support and can help them navigate through regulatory issues.

Granules has strengthened its advantages through its Operational Excellence (OE) department which looks at every step of the manufacturing process in order to gain efficiencies and has also implemented systems that have standardized quality and reduced variation. The Company's OE program is regularly cited by MNCs as a "best in class" program and is the comparative advantage that lets Granules provide world-class quality products at a lower cost than its competitors. The adoption of the OE philosophy by Granules has earned it several recognitions including The Economic Times Manufacturing Excellence Awards 2011.

Caution Statement:

Certain statements made above may be "forward looking statements" within the meaning of applicable laws and regulations.

Contacts:

Kavita Singh
Genesis Burson-Marsteller
+91 9642320808
Kavita.Singh@bm.com