



PRESS RELEASE

Nicholas Piramal India Limited buys Pharmaceuticals business of Healthline Private Limited, Bangalore

Acquisition to expand NPIL's Custom Manufacturing business

Mumbai, 22 January 2008: Nicholas Piramal India Limited (NPIL) (NSE: NICOLASPIR, BSE: 500302) and Healthline Private Limited (HLPL) today announced that they have signed a definitive agreement for purchase of HLPL's Pharmaceuticals business by NPIL for a consideration of Rs. 150 million.

HLPL has a modern injectables manufacturing unit at Bangalore for small and large volume injectable products. The current facility was commissioned in 2004 and has a capacity of 10 million vials per annum on a single shift basis. NPIL will invest additional resources at the facility to expand capacity and secure USFDA standards.

Commenting on the acquisition, Mr. Ajay Piramal, Chairman, Nicholas Piramal said, "NPIL is committed to expand its Custom Manufacturing offering to global customers. HLPL is a good asset, which will expand our high-end manufacturing solutions from India"

Commenting on the acquisition, Mr. Bharat Tandon, Chairman, Healthline said " NPIL is a good inheritor of our injectable business and is well positioned to take this business to greater heights ".

Allegro Capital were HLPL's advisors on the transaction.

About Nicholas Piramal India Limited:

Nicholas Piramal India Limited ("NPIL") is one of India's largest pharmaceutical companies with a growth track record of above 30% CAGR since 1988. The Company is currently ranked 4th in the Indian market with a diverse product portfolio spanning nine therapeutic areas. NPIL's had consolidated Revenues of Rs. 24.7 billion in 2006-07. The Company has R&D capabilities in Custom Chemical Synthesis, Process Innovation, NDDS and Basic Research. It has world-class USFDA-approved formulations and API facilities without any 483s. NPIL has a long track record of successful collaboration with innovator companies. Since 2003, the Company has made significant investments to become a global custom manufacturing organisation ("CMO") for large and medium-sized innovator companies. NPIL is listed in India on the Bombay Stock Exchange and National Stock Exchange. For further information, please mail investorrelations@nicholaspiramal.co.in or visit www.nicholaspiramal.com

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