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<p>BSE Limited 1st Floor, P.J. Towers Dalal Street <u>Mumbai – 400 001</u></p> <p>Kind Attn.: Mr. Sanjay Golecha / Mr. Gopalkrishnan</p>	<p>National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East) <u>Mumbai – 400 051</u></p> <p>Kind Attn.: Famroze Pochara Asst. Vice President</p>
Date: August 8, 2016	
Re.: Press Release.	

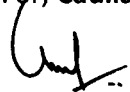
Dear Sir / Madam,

We enclose herewith a copy of press release dated August 8, 2016, titled “**Zydus strengthens its derma portfolio with the brand acquisition of MELGAIN from Issar Pharma in India**”. The contents of the press release give full details.

Please bring the aforesaid news to the notice of the members of the exchange and the investors’ at large.

Thanking you,

Yours faithfully,
For, Cadila Healthcare Limited


Upen H. Shah
Company Secretary



Encl.: As above.

Zydus strengthens its derma portfolio with the brand acquisition of MELGAIN from Issar Pharma in India

Ahmedabad, August 8, 2016

The Zydus Group, an innovation-led global healthcare provider announced that it has acquired Melgain from Hyderabad based Issar Pharma. In India, Melgain will be marketed by Liva Healthcare, a specialty division of the group catering to the dermatological segment. Zydus also has an option to launch this product in other global markets where it is not available. Melgain is used for the treatment of Vitiligo, a chronic skin condition characterized by portions of the skin losing their pigment. It occurs when skin pigment cells die or are unable to function. Though the reason for the onset of the condition is not known, the most widely accepted view is that the depigmentation occurs because Vitiligo is an autoimmune disease - a disease in which a person's immune system reacts against the body's own organs or tissues.

Nearly 15-20 million people in India are estimated to be suffering this condition. Half of those affected show the disorder before age 20, though most develop it before age 40. The patches can appear randomly on their face, hands, feet or their hairline due to which the hair within the patch may sometimes turn white. By adding Melgain to its product portfolio, Zydus intends to make the treatment more affordable for the patients who are afflicted with this disfiguring skin disorder in the prime of their youth. Vitiligo can be greatly reduced and treated in most of the cases, however early detection is an important aspect.

Zydus is currently the leader in the skin de-pigmentation segment and the acquisition of Melgain marks its foray into the re-pigmentation segment. Speaking on the development, Deputy Managing Director of Zydus group, Dr. Sharvil P. Patel said, "Dermatology has been a core focus segment and we have been working with the medical fraternity to serve patient needs better. I believe that this acquisition will strengthen our portfolio of derma brands and will leverage our equity in this key segment."

Patients suffering from Vitiligo sometimes have to face social stigma and a large number of patients also suffer from depression in India. Melgain lotion leads to re-pigmentation in most of the patients.

With a strong presence in the hyperpigmentation, acne, haircare and anti-fungal segments, the expansion into the re-pigmentation segment gives Zydus an edge in the fast growing dermatology market which is currently growing at 14% and valued at over Rs. 6000 crores.

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