

PRESS RELEASE

## IOL Chemicals and Pharmaceuticals commences manufacturing of Iso Butyl Benzene at its new plant

New Delhi, December 10, 2009 - IOL Chemicals and Pharmaceuticals Limited (IOLCP), one of the largest producers of APIs, Ibuprofen and specialty chemicals in India, has announced that keeping in line with its Backward Integration plans, the company has commenced the manufacturing operations at its new plant of Isobutyl Benzene (IBB) having annual capacity of 6600 MT to ensure ready availability of the basic raw material for its successful pharmaceutical product, the anti-inflammatory / analgesic drug Ibuprofen. The newly set up facilities for manufacturing of Iso Butyl Benzene are the second largest facilities in India after M/s. Vinati Organics Limited.

Mr. R K Thukral , Executive Director , IOL Chemicals and Pharmaceuticals Limited, said, "The latest development makes IOLCP more self reliant in terms of procurement of raw materials for Ibuprofen and therefore will enable us to cater to the burgeoning demand for the same from several new markets worldwide. We expect the next fiscal to be extremely exciting for us as we start exporting to newer markets with ready demand and ample of opportunities.."

The production capacity of Ibuprofen has been the stronghold of IOLCP's pharmaceutical operations and the company has recently operationalised its increased Ibuprofen plant capacity of 3600 TPA. Ibuprofen is used to reduce fever and treat pain or inflammation caused by many ailments such as headache, toothache, back pain, arthritis, menstrual cramps, or minor injuries.

IOLCP has recently commenced operations of Mono Chloro Acetic Acid(MCA) with a capacity of 7200 TPA and Acetyl Chloride with a capacity of 5200 TPA, other major raw materials for the manufacture of Ibuprofen using Acetic Acid and Acetic Anhydride as a raw material .

IOLCP has also received DMF registration numbers from United States Food & Drug Administration (USFDA) and also from Health Canada, the drug regulatory body of Canada for exporting Ibuprofen to these countries. IOLCP has also secured acknowledgment of Certificate of Suitability from EDQM (European Directorate for the Quality of Medicines & HealthCare) to export Ibuprofen into the European countries. IOLCP aims to tap new export markets such as France, Russia, Korea and Taiwan for Ibuprofen and is already exporting its various products to over 52 countries across the world including Argentina, Brazil, China, Denmark, Germany, Singapore, Hong Kong, Kenya, Malaysia, Peru, Egypt, Nigeria , Ghana , Philippines etc.

"The lucrative markets of Canada, US and Europe offer immense potential for the export of Ibuprofen as active pharmaceuticals ingredient (API). We foresee export potential of about 2,000 TPA and 300 TPA in Canada and Australia respectively. We are confident our commitment to the quality of our products will enable us to achieve our targeted growth," added Mr. R K Thukral , Executive Director.

IOLCP is taking big strides in its endeavour to raise its exports revenue and had recently received many coveted certifications for exports of its pharma product, Ibuprofen, to various countries. These certifications include Accreditation Certificate of Foreign Drug Manufacture from Ministry of Health, Labor and Welfare, Japan, approval from Ministry of Health, Iran and Certificate of Pharmaceutical Product (COPP) from Director, Health & Family Welfare, Punjab conforming to the WHO guidelines, which certifies IOLCP's Ibuprofen as an Active Pharmaceuticals Ingredient (API) fit to be exported to other countries from India.

IOLCP's products have also received coveted Kosher Certification from the Kosher Inspection Service India, which confirms that no animal fats or meat bones are used in the processing of its various products. The certification will enhance the acceptance of IOLCP's various products in the European countries and Israel leading to strengthened revenue from exports for the company. The Kosher Certification to IOLCP applies to its following products - Ibuprofen, Glacial Acetic Acid/Acetic Acid, Ethyl Acetate, Acetic Anhydride, Poly Aluminium Chloride (PAC), Green Acid/Spent Acid, Monochloro Acetic Acid (MCA), Acetyl Chloride and Isobutyl Benzene (IBB).

IOLCP was also recently accorded the coveted status of Star Export House which makes the company eligible for many privileges that will help enhance its business and exports revenues.

IOLCP is also actively involved in protection and preservation of the environment in and around its manufacturing unit. The company's environmental policy includes sustained efforts towards minimizing adverse environmental impact by controlling emission, effluents and waste generation at its manufacturing units in order to prevent pollution and reduce its carbon footprint.

#### About IOL Chemicals and Pharmaceuticals Limited

Established in 1986, IOLCP, a public-listed company (BSE), is one of the largest manufacturers of APIs and specialty chemicals with presence in over 52 countries across the world. IOLCP manufactures and supplies APIs and speciality chemicals for use in various pharmaceutical, Textile, Packaging, Lamination, Pesticides, Food processing applications. Its product portfolio includes APIs, Ibuprofen, specialty chemicals such as ethyl acetate, acetic anhydride, Iso Butyl Benzene, Mono Chloro Acetic Acid and Acetyl Chloride and bulk chemicals such as Glacial Acetic acid. IOLCP is currently in a phase of expansion with an investment outlay of Rs. 256 crore which would include capacity expansion for its various product lines, forward and backward integration and increase in cogeneration of power. IOLCP's overseas customers are spread out across several countries including Argentina, Brazil, China, Denmark, Germany, Singapore, Hong Kong, Kenya, Malaysia, Peru, Egypt and many others. The company has strong business relationships with a number of prestigious clients such as Ranbaxy Labs, Aurbindo Pharma, Dr Reddy, DS Group, CIPLA, Uflex Industries, ITC Limited, ICI Paints, Asian Paints, Pidilite, Rallis India, Hindustan Polymide, Gujarat Super Phosphate, Avon Organics Ltd. etc. For more information on IOLCP, please visit <http://www.iolcp.com>