

**Regd. Office :**

'Zydus Tower',  
Satellite Cross Roads,  
Ahmedabad 380 015. India.  
Phone : +91-79-2686 8100 (20 Lines)  
Fax : +91-79-2686 8337  
www.zyduscadila.com

June 19, 2008

To,  
The Manager,  
Corporate Services Department,

Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400001.

Attention : Mr. Kapoor  
Mr. Gopalkrishnan  
Fax No. 022-22722039 / 3121

National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1,  
G-Block, Bandra Kurla Complex,  
Bandra (East)  
Mumbai – 400 051.

Attention : Famroze Pochara  
Asst. Vice President  
Fax No. 022 – 26598237 / 38

Ahmedabad Stock Exchange Limited  
Kamdhenu Complex, Opp. Sahajanand College,  
Panjara Pole,  
Ahmedabad – 380 015.

Fax No. 079 - 26308877

Dear Sir,

**Sub: Restructuring of Consumer Product Division of Cadila Healthcare Limited**

The Board of Directors of Cadila Healthcare Limited (“Cadila”) at its meeting held on 17<sup>th</sup> June, 2008, has taken in-principle decision to transfer Cadila’s Consumer Products Division (“CPD”) into Carnation Nutra- Analogue Foods Limited (“Carnation”), 61.56% subsidiary of the Cadila and the same was communicated to this Exchange immediately thereafter.

While the Board of Cadila has in-principle agreed to the above restructuring, it had requested the promoters of Cadila to consider restructuring of their shareholding in Cadila and take appropriate steps so as to ensure that Carnation continues to remain a listed subsidiary of Cadila.

Considering the request of the Board, the overall interest of Cadila and its shareholders at large and to facilitate Cadila retain its control over Carnation and ensure that Carnation remains a subsidiary of Cadila after restructuring of the consumer health business as aforesaid, the Promoters of Cadila have agreed

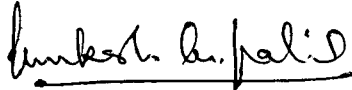
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- to be part of the scheme for transfer of Cadila's CPD into Carnation which may be finalized and approved by the Board of Cadila  
  
and
- to facilitate the above, transfer 90,000,000 shares out of the existing holding of 90,442,850 equity shares of the promoters in Cadila to Zydus Hospitals and Medical Research Private Limited, which is also owned by Zydus Family Trust, subject to the applicable regulations and compliances of the SEBI (SAST) Regulations, 1997 and any other relevant provisions of the law.

Thank You

For **Cadila Healthcare Limited**



**Mukesh M. Patel**  
**(Independent Director**  
**Authorised by Board of Directors**  
**Cadila Healthcare Limited**