

December 9, 2019

To,
Department of Corporate Services
BSE Limited
P. J. Towers, Dalal Street
Fort, Mumbai - 400 001
Scrip Code: **BSE - 524500**

To,
Corporate Listing Department
National Stock Exchange of India Ltd
Exchange Plaza, Plot No.C-1, G Block,
BKC, Bandra (E), Mumbai 400 051
Scrip Code: **NSE - KILITCH**

Dear Sirs,

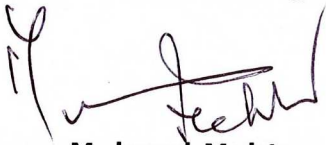
Sub: Press Release

We are pleased to enclosed herewith our Press Release relating to set-up of second green field Project in Ethiopia at an investment of USD 5 million.

This is for your information and record.

Thanking you,

Yours Faithfully,
For **Kilitch Drugs (India) Limited**



Mukund Mehta
Managing Director
DIN:00147876



Encl: as above





KILITCH DRUGS (INDIA) LTD.

Kilitch Drugs to set-up second green field Project in Ethiopia at an investment of USD 5 mn

- ***Company will manufacture liquid injectable at the proposed plant.***
- ***Company's first unit at a critical stage, machinery installation begins; validation to start this month & production in Q1 2020-21***

Mumbai December 9, 2019 – Government of Ethiopia in its endeavor to become self-sufficient has invited Kilitch to explore supply of Liquid injectables. After considering the request and opportunity, Kilitch Drugs, is setting up its second green field project in Ethiopia to manufacture liquid injectables and at a capital investment of USD 5 million. In this regard, the Company has accepted the request of Ethiopian government for one hector land near Addis Ababa.

At the same time, the Company's first manufacturing plant has also reached a decisive stage of the completion process. Kilitch Drugs has begun installing machinery at the first Addis Ababa manufacturing unit and is all scheduled to commence the validation process this month (December). Process validation being an important tool in quality management of pharmaceuticals is a significant parameter of GMPs. Process validation helps ensure production of drug of a reproducible quality. Further, this also ensures that the quality assurance techniques used to build the quality into the product at every step is up to the desired standards.

Commenting on the company's project status, Mr. Bhavin Mehta, Whole time Director of Kilitch Drugs said, "We are happy to announce our second manufacturing venture in Ethiopia as also for the maiden unit which is now at a very critical stage of our project implementation cycle. Once the validation process is satisfactorily done, Kilitch Drugs plans to commence operations at the first unit in the first quarter of FY2020-21. Overall, our expansion plans will be involving a capital expenditure of Rs. 42.60 crs @ Rs. 71per USD (existing plus incremental USD 6 mn) are as per schedule. We are confident that manufacturing base in Ethiopia will strengthen our presence in the African continent."

Kilitch Drugs has registered over 300 products in key African countries and another 250+ products are under registration. It has been having a presence in Africa for over three decades now and during this period has gained a strong advantage. About 80% of company's revenues come from African operations. Ethiopia has been a center of focus for the company and it has been exporting and marketing drug formulations in solid, liquid and parenteral dosage forms. Kilitch Drugs is bullish on the African markets and is expecting revenues to the tune of Rs 500 crs, in the next five years. The company's hopes to replicate its Ethiopian business model to the rest of Africa, going forward.

About Kilitch Drugs

Kilitch Drugs was incorporated in May 1992 as a public limited company. The company went public in February 1994 to set up a pharmaceutical formulation plant

at Thane to manufacture pharmaceutical products in the form of injectables. The company believes

Africa is the pharma market for next decade and is working towards that goal by registering as many products possible to have proper in-roads in various African countries.

For further information:

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