

Press Release**Granules India's Revenue increases by 10% to Rs. 386 Cr.**

Hyderabad, August 14, 2017: Granules India Ltd., a growing pharmaceutical manufacturing company, announced today financial results for its first quarter ended 30th June, 2017.

Quarterly Financial Highlights of Q1-FY18:-

	<u>Consolidated</u>	<u>Standalone</u>
Revenue:	Rs. 386 Cr.	Rs. 396 Cr.
EBITDA:	Rs. 77 Cr.	Rs. 79 Cr.
Net Profit:	Rs. 37 Cr.	Rs. 36 Cr.

The Company's Board of Directors has approved interim dividend of 25 paise per share of face value of Rs. 1 each.

Granules Omnichem Private Limited (JV) has not contributed to the profit growth for this quarter as most of the orders shall be delivered in the subsequent quarters due to cyclical nature of the business.

"I am happy to state that the current year has started with a positive note. While our journey towards transformation by developing newer avenues continues, we remain focused on strengthening our base business. Our vertical integration across core business products is one of our key strengths and it will continue to differentiate us. We shall continue to build on our strengths by commercializing additional API and PFI capacities during the year and this will enable us to maintain our steady financial performance." said Mr. Krishna Prasad Chigurupati, Chairman & Managing Director.

About Granules India Ltd. (BSE: 532482, NSE: GRANULES)

Granules India is a growing pharmaceutical manufacturing company with best in class facilities and is committed to operational excellence, quality and customer service. The Company produces Finished Dosages (FDs), Pharmaceutical Formulation Intermediates (PFIs) and Active Pharmaceutical Ingredients (APIs) which gives the customers flexibility and choice. Granules support customers with unique value, extensive product range, and proactive solutions. The Company's global presence extends to over 250 customers in 60 countries through offices in India, U.S., and U.K.

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Rs in lakhs

Statement of Consolidated Un-Audited Results for the quarter ended June 30, 2017

Sl No.	Particulars	Quarter ended			Year ended	
		30.06.2017	31.03.2017	30.06.2016	31.03.2017	
		Un-Audited	Audited	Un-Audited	Audited	
	Revenue from operations (gross)	38,595.94	36,217.36	34,980.04	1,43,525.34	
	Other income	37.70	118.04	303.48	992.53	
1	Total income	38,633.64	36,335.40	35,283.52	1,44,517.87	
2	Expenses					
	(a) Cost of materials consumed	19,225.38	15,672.30	17,584.72	67,996.46	
	(b) (Increase)/Decrease in work in progress and finished goods	(1,228.49)	(54.60)	(123.16)	(33.28)	
	(c) Excise duty on sales	722.60	692.02	606.83	2,468.81	
	(d) Employee benefits expense	3,904.31	3,620.90	3,390.01	14,018.97	
	(e) Other expenses	8,277.47	8,551.09	6,671.56	29,190.58	
	(f) Depreciation/amortisation expense	1,760.23	1,799.95	1,634.29	7,151.27	
	(g) Finance costs	820.84	766.13	794.48	3,225.63	
	Total expenses	33,482.34	31,047.79	30,558.73	1,24,018.44	
3	Profit before exceptional items and tax (1-2)	5,151.30	5,287.61	4,724.79	20,499.43	
4	Exceptional items	-	-	-	-	
5	Profit before tax (3-4)	5,151.30	5,287.61	4,724.79	20,499.43	
6	Tax expense					
	Current tax	1,728.83	1,336.11	1,861.58	6,607.20	
	Deferred tax	44.73	323.00	(324.10)	(87.07)	
7	Net Profit after Tax (5-6)	3,377.74	3,628.50	3,187.31	13,979.30	
8	Share in Profit/(Loss) of Joint Ventures	302.42	938.87	708.70	2,472.61	
9	Net Profit for the period (7+8)	3,680.16	4,567.37	3,896.01	16,451.91	
	Other Comprehensive income					
	(i) items that will not be reclassified to profit or loss	-	155.79	-	155.79	
	(ii) income tax relating to items that will not be reclassified to profit or loss	-	(53.92)	-	(53.92)	
	(iii) items that will be reclassified to profit or loss	5.36	(79.05)	100.88	45.05	
10	Other Comprehensive income, net of tax	5.36	22.82	100.88	146.92	
11	Total Comprehensive income for the period (9+10)	3,685.52	4,590.19	3,996.89	16,598.83	
12	Paid-up equity Share Capital (Face Value of Re.1/- per share)	2,288.03	2,287.03	2,169.92	2,287.03	
13	Earnings per Share (Face value Re. 1/- each) (not Annualised)					
	(a) Basic (in Rs.)	1.61	2.09	1.80	7.52	
	(b) Diluted (in Rs)	1.60	2.08	1.75	7.48	

1 The above unaudited financial results for the quarter ended June 30, 2017 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on Aug 14, 2017.

2 The Auditors of the Company carried out Limited Review of the financial results for the quarter ended June 30, 2017.

3 The subsidiaries and Joint Venture companies considered for the consolidated financial statements as on June 30, 2017 are Granules USA Inc., Granules Pharmaceuticals Inc., Granules Europe Limited (Subsidiaries) and Granules Biocause Pharmaceutical Co., Ltd., and Granules Omnichem Pvt Ltd (50% Joint Venture Companies).

4 The company has adopted the option under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has continued the policy adopted for accounting of exchange differences arising from translation of long term foreign currency monetary items in so far as it relates to acquisition of depreciable assets are adjusted to the cost of the assets pursuant to the Notification No.G.S.R.913(E), dt.29.12.2011 issued by the Ministry of Corporate Affairs, the company has opted to capitalise foreign currency gains and losses on loans utilised for purchase of fixed assets.

- During the quarter, foreign currency gain of Rs.400.04 lakhs (foreign currency loss of Rs.329.84 lakhs for the quarter ended June 30, 2016) was transferred to fixed assets.

5 As per regulation 33 of the Listing Regulations, the Company has opted to publish only consolidated financial results. The stand-alone financial results are available for perusal at Company's website viz., www.granulesindia.com and websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

6 The Company operates only in the segment of Pharmaceuticals.

7 During the quarter, the Company has allotted 1,00,000 equity shares of Re.1/- each, fully paid up on exercise of options by employees in accordance with the Company's Employee Stock Option Scheme(s).

8 The Board of Directors at their meeting held on Aug 14, 2017 has declared first interim dividend of 25 paise per equity share of Re.1/- each.

9 Standalone Results as on June 30, 2017 are as under -

Particulars	Rs in lakhs			
	Quarter ended			Year ended
	30.06.2017	31.03.2017	30.06.2016	31.03.2017
	Un-Audited	Audited	Un-Audited	Audited
Revenue from Operations (Inclusive of Excise Duty)	39,558.42	35,177.08	34,355.93	1,37,416.90
Profit Before Tax	5,289.38	5,484.39	5,195.45	20,680.32
Profit After Tax	3,550.76	3,844.80	3,559.46	14,282.67

10 Previous periods/years figures have been regrouped/reclassified wherever necessary.

for and on behalf of the Board

Place : Hyderabad
Date : Aug 14, 2017

Krishna Prasad Chigurupati
Chairman and Managing Director

Rs in lakhs

Statement of Standalone Un-Audited Results for the quarter ended June 30, 2017

Sl No.	Particulars	Quarter ended		Year ended	
		30.06.2017	31.03.2017	30.06.2016	31.03.2017
		Un-Audited	Audited	Un-Audited	Audited
	Revenue from operations (gross)	39,558.42	35,177.08	34,355.93	1,37,416.90
	Other income	300.09	256.02	524.32	1,452.02
1	Total income	39,858.51	35,433.10	34,880.25	1,38,868.92
2	Expenses				
	(a) Cost of materials consumed	19,030.02	15,934.95	17,186.80	67,077.83
	(b) (Increase)/Decrease in work in progress and finished goods	1,241.98	(291.34)	298.89	(1,220.03)
	(c) Excise duty on sales	722.60	692.02	606.83	2,468.81
	(d) Employee benefits expense	3,430.09	3,222.50	3,033.03	12,581.00
	(e) Other expenses	7,573.80	7,830.52	6,131.28	26,929.42
	(f) Depreciation/amortisation expense	1,752.41	1,795.65	1,630.53	7,135.16
	(g) Finance costs	818.23	764.41	797.44	3,216.41
	Total expenses	34,569.13	29,948.71	29,684.80	1,18,188.60
3	Profit before exceptional items and tax (1-2)	5,289.38	5,484.39	5,195.45	20,680.32
4	Exceptional items	-	-	-	-
5	Profit before tax (3-4)	5,289.38	5,484.39	5,195.45	20,680.32
6	Tax expense				
	Current tax	1,680.44	1,295.61	1,769.06	6,362.95
	Deferred tax	58.18	343.98	(133.07)	34.70
7	Net Profit after Tax (5-6)	3,550.76	3,844.80	3,559.46	14,282.67
	Other Comprehensive income				
	(i) items that will not be reclassified to profit or loss	-	155.79	-	155.79
	(ii) income tax relating to items that will not be reclassified to profit or loss	-	(53.92)	-	(53.92)
8	Other Comprehensive income, net of tax	-	101.87	-	101.87
9	Total Comprehensive income for the period (7+8)	3,550.76	3,946.67	3,559.46	14,384.54
10	Paid-up equity Share Capital (Face Value of Re.1/- per share)	2,288.03	2,287.03	2,169.92	2,287.03
11	Earnings per Share (Face value Re. 1/- each) (not Annualised)				
	(a) Basic (in Rs.)	1.55	1.76	1.64	6.53
	(b) Diluted (in Rs.)	1.55	1.75	1.60	6.49

- The above unaudited financial results for the quarter ended June 30, 2017 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on Aug 14, 2017.
- The Auditors of the Company carried out Limited Review of the financial results for the quarter ended June 30, 2017.
- The company has adopted the option under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has continued the policy adopted for accounting of exchange differences arising from translation of long term foreign currency monetary items in so far as it relates to acquisition of depreciable assets are adjusted to the cost of the assets pursuant to the Notification No.G.S.R.913(E), dt.29.12.2011 issued by the Ministry of Corporate Affairs, the company has opted to capitalise foreign currency gains and losses on loans utilised for purchase of fixed assets.
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The Company operates only in the segment of Pharmaceuticals.
- During the quarter, the Company has allotted 1,00,000 equity shares of Re.1/- each, fully paid up on exercise of options by employees in accordance with the Company's Employee Stock Option Scheme(s).
- The Board of Directors at their meeting held on Aug 14, 2017 has declared first interim dividend of 25 paise per equity share of Re.1/- each.
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for and on behalf of the Board

Place : Hyderabad
 Date : Aug 14, 2017

Krishna Prasad Chigurupati
 Chairman and Managing Director