

Granules India Posts Revenue of Rs.109.3 Cr. for Q1 FY11

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PRESS RELEASE

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Granules India Ltd., a vertically integrated formulation manufacturer, announced financial results for its fiscal year 2011, first quarter ended June 30, 2010. On a consolidated basis, Granules posted revenue of Rs.109.33 Cr. and a net profit of Rs.1.92 Cr.

Quarter ended June 30, 2010.

- Net Sales: Rs.109.33 Cr, as compared to the same period last year at Rs.105.92 Cr.
- Net Profit: Rs.1.92 Cr, as compared to the same period last year at Rs.8.68 Cr.
- EPS: Basic EPS was Rs.0.96 as compared to the same period last year at Rs.4.33.

On a standalone basis, the Company achieved sales of Rs.90.51 Cr. and a net profit of Rs.1.90 Cr.

“Granules continues to show resilient growth despite a challenging environment. While we grew revenue, profit after tax was adversely affected due to restatement of foreign currency debt. We had to write off an amount of Rs.1.87 cr. in the current year as compared to a gain of Rs.4.45 cr. in the previous year. The company also incurred a bad debt write-off that reduced profit before taxes by Rs.1.80 Cr. Excluding the one-time write-off and a non-cash foreign exchange charge, our profit before tax margin would have been 6.36% as compared to 5.16% in the previous year. From an operations standpoint, this was an important quarter for the Company because we received U.S. FDA approval for our Metformin abbreviated new drug application (ANDA). This is an important milestone as we continue to strengthen our formulation unit.” said C. Krishna Prasad, Managing Director of Granules.

About Granules India Ltd.

(BSE: 532482, NSE: GRANULES)

Granules India Ltd. is a vertically integrated formulation manufacturer. The Company is a large-scale manufacturer of Finished Dosages (FDs),

Pharmaceutical Formulation Intermediates (PFIs) and Active Pharmaceutical Ingredients (APIs), which are distributed in over 50 countries. The Company's operations and logistics expertise along with its scale allow Granules to provide customers high quality products across the pharmaceutical manufacturing value chain at a cost-effective price.

Caution Statement:

Certain statements made above may be "forward looking statements" within the meaning of applicable laws and regulations.