



Press Release

Granules India's Revenue increases 19% to Rs. 366 Cr.; Net Profit surges 40% to Rs. 31 Cr.

Hyderabad, October 31, 2015: Granules India Ltd., a fast growing pharmaceutical manufacturing company, announced financial results for its second quarter ended 30th September, 2015.

Consolidated Q2FY16 Financial Results Highlights:-

- **Revenue:** Rs. 366 Cr., an increase of 19% compared to Rs. 308 Cr. in Q2FY15
- **EBITDA:** Rs. 70 Cr., an increase of 33% compared to Rs. 53 Cr. in Q2FY15
- **Operating Margin** improved by 204 basis point to 19.2% from 17.2% in Q2FY15
- **Net Profit:** Rs. 31 Cr., an increase of 40% compared to Rs. 22 Cr. in Q2FY15
- **Net Profit Margin** improved by 128 basis point to 8.5% from 7.2% in Q2FY15

Break-up of Q2FY16 Consolidated Sales:-

- **Vertical wise:-**
 - Active Pharmaceutical Ingredients (APIs): 44%
 - Pharmaceutical Formulation Intermediaries (PFIs): 27%
 - Finished Dosages (FDs): 29%
- **Geography wise:-**
 - Regulated Markets: 55%
 - Rest of the World Markets (ROW): 45%

The Company's standalone sales during the quarter were Rs. 333 Cr., an increase of 22% from the same quarter previous year. EBITDA and PAT are recorded at Rs. 64 Cr. and Rs. 27 Cr. in this quarter, an increase by 14% and 3% from Q2FY15.

The Board of Directors has approved payment of second interim dividend of 15 paise per share of face value of Rs. 1 each for the financial year 2015-16.

“Our continuous endeavour to improve operational efficiency and process innovation has resulted yet another strong quarter for us. We are happy to see growth in Revenue and Profit along with improved margin profiles compared to the same quarter previous year. We remain focused on strengthening our core businesses, developing a differentiated product basket through new API division and increasing our global footprints by capitalising the strategic efforts.” said Mr. C Krishna Prasad, Chairman & Managing Director of Granules India.



About Granules India Ltd.

(BSE: 532482, NSE: GRANULES)

Granules is a fast growing pharmaceutical manufacturing company with world class facilities and is committed to manufacturing excellence, quality and customer service. The Company produces Finished Dosages (FDs), Pharmaceutical Formulation Intermediates (PFIs) and Active Pharmaceutical Ingredients (APIs) for quality conscious customers in the regulated and semi-regulated markets. Granules support customers with unique value, extensive product range, proactive solutions and a global network of associates. The Company's global presence extends to over 300 customers in 60 countries through offices in India, U.S., U.K., China and Colombia. Granules offer all three components of the pharmaceutical value chain which gives the customers flexibility and choice.

The Company has its own ANDAs and dossiers which enable customers to quickly enter a market instead of filing their own applications. Granules has a highly skilled regulatory affairs department that can offer customers support and can help them navigate through regulatory issues.

Caution Statement:

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

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(Rs in Lakhs)

PART I Statement of Consolidated Un-Audited Results for the Quarter and half year ended September 30, 2015							
SI No.	Particulars	Quarter ended			Half year ended		Year ended 31.03.2015 Audited
		30.09.2015 Un-Audited	30.06.2015 Un-Audited	30.09.2014 Un-Audited	30.09.2015 Un-Audited	30.09.2014 Un-Audited	
1	Income from Operations						
	(a) Net sales / Income from Operations (Net of Excise duty)	36,643.69	34,593.90	30,762.88	71,237.59	61,864.96	1,29,292.24
	(b) Other operating income	-	-	-	-	-	-
	Total Income from operations (net)	36,643.69	34,593.90	30,762.88	71,237.59	61,864.96	1,29,292.24
2	Expenses						
	(a) Cost of material Consumed	21,498.82	19,894.11	19,066.54	41,392.93	36,425.11	76,942.80
	(b) Changes in Inventories of Finished goods, Work in progress and Stock-in-trade	(1,461.44)	(1,243.81)	(2,079.67)	(2,705.25)	(1,366.90)	(2,247.68)
	(c) Employee Benefits Expense	3,122.48	3,072.95	2,587.32	6,195.43	5,182.92	10,695.78
	(d) Depreciation and Amortisation expense	1,557.25	1,470.44	1,307.48	3,027.69	2,474.65	5,265.10
	(e) Manufacturing Expenses	2,531.21	2,657.61	2,272.43	5,188.82	4,247.55	8,873.31
	(f) Freight outward & clearing charges	1,215.44	1,218.74	1,258.52	2,434.18	2,529.84	5,098.29
	(g) R & D Expenses	325.60	458.00	70.39	783.60	145.71	960.96
	(h) Other expenses	2,521.29	2,355.57	2,352.44	4,876.86	4,185.11	8,107.36
	Total expenses	31,310.65	29,883.61	26,835.45	61,194.26	53,823.99	1,13,695.91
	Profit from Operations before Other Income, Finance costs & Exceptional items (1 - 2)	5,333.04	4,710.29	3,927.43	10,043.33	8,040.97	15,596.33
3	Other Income	156.24	212.68	53.99	368.92	95.97	434.31
	Profit from Ordinary activities before Finance costs and exceptional items (3 + 4)	5,489.28	4,922.97	3,981.42	10,412.25	8,136.94	16,030.63
5	Finance Costs	1,035.43	831.10	802.79	1,866.53	1,545.42	3,234.60
7	Profit from Ordinary activities after Finance costs but before exceptional items (5 - 6)	4,453.85	4,091.87	3,178.63	8,545.72	6,591.52	12,796.04
8	Exceptional items	-	-	-	-	-	-
9	Profit from Ordinary activities before Tax (7 + 8)	4,453.85	4,091.87	3,178.63	8,545.72	6,591.52	12,796.04
10	Tax expense	1,356.13	1,376.89	970.62	2,733.02	2,096.87	3,705.25
11	Net Profit from ordinary activities after tax (9 - 10)	3,097.72	2,714.98	2,208.00	5,812.70	4,494.65	9,090.78
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit for the period (11 + 12)	3,097.72	2,714.98	2,208.00	5,812.70	4,494.65	9,090.78
14	Paid-up equity share capital (Face Value of Rs. 1/- per share)	2,051.74	2,047.62	2,040.92	2,051.74	2,040.92	2,042.52
15	Reserves excluding Revaluation Reserve as per balance sheet of previous Accounting Year						41,073.83
16	Earnings per Share (face value of Re. 1/- each) (not annualised)						
	(a) Basic (in Rs.)	1.51	1.33	1.09	2.84	2.21	4.46
	(b) Diluted (in Rs)	1.50	1.32	1.07	2.82	2.17	4.41

PART II Select Information for the Quarter and half year ended September 30, 2015							
SI No.	Particulars	Quarter ended			Half year ended		Year ended 31.03.2015
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	
A	Public Shareholding						
	- No. of shares	10,58,18,067	10,55,14,340	1,04,84,913	10,58,18,067	1,04,84,913	10,50,04,340
	- Percentage of shareholding	51.58%	51.53%	51.37%	51.58%	51.37%	51.41%
2	Promoters and promoter group shareholding						
	a) Pledged/Encumbered						
	Number of shares	2,06,29,270	1,12,77,585	15,04,330	2,06,29,270	15,04,330	1,50,43,300
	Percentage of shares to promoter and promoter group	20.76%	11.36%	20.76%	20.76%	15.16%	15.16%
	Percentage of shares to total share capital	10.05%	5.51%	7.37%	10.05%	7.37%	7.37%
	b) Non-encumbered						
	Number of shares	7,87,26,435	8,79,69,615	84,19,911	7,87,26,435	84,19,911	8,42,03,900
	Percentage of shares to promoter and promoter group	79.24%	88.64%	84.84%	79.24%	84.84%	84.84%
	Percentage of shares to total share capital	38.37%	42.96%	41.26%	38.37%	41.26%	41.22%

Note: Shares of the Company of face value of Rs.10/- each has been sub-divided into 10 equity shares of Re.1/- each w.e.f 24th March, 2015.

SI No.	Particulars	Quarter ended 30.9.2015
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the Quarter	02
	Received during the quarter	19
	Disposed off during the quarter	21
	Remaining unresolved at the end of the quarter	NIL

- The Un Audited financial results for the quarter ended September 30, 2015 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on October 31, 2015.
- The Auditors of the Company carried out Limited Review of the financial results for the quarter ended September 30, 2015.
- The subsidiaries and Joint Venture companies considered for the consolidated financial statements as on September 30, 2015 are Granules USA Inc., GIL Lifesciences Pvt Ltd, Granules Pharmaceuticals Inc., (Subsidiaries) and Granules Biocause Pharmaceutical Co., Ltd., Granules Omnicem Pvt Ltd (50% Joint Venture Companies).
- Pursuant to the Notification No.G.S.R.913(E), dt.29.12.2011 issued by the Ministry of Company Affairs, the company has opted to capitalise foreign currency gains and losses on loans utilised for purchase of fixed assets. During the quarter loss of Rs.534.38 lakhs (Loss of Rs.265.43 Lakhs for the Quarter ended September 30, 2014) was transferred to fixed assets.
- The consolidated financial statements are prepared in accordance with Accounting Standards 21 and 27 notified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- As per clause 41 of the listing agreement, 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.nse-india.com).
- The Company operates only in the segment of Pharmaceuticals.
- The Company during the current quarter has allotted 4,12,232 equity shares of Re. 1/- each, fully paid up on exercise of options by employees / Directors in accordance with the Company's Employee Stock Option Scheme(s).
- Based on shareholders' approval for issue of 40,95,230 warrants @ Rs.84.91 each in the Annual General Meeting held on August 13, 2015 and 1,86,56,000 warrants @ Rs.95.30 each in the Extra Ordinary General Meeting held on August 24, 2015, the Company has allotted warrants on preferential basis to promoters group. Warrant holders paid 25% of issue price to the company. Funds received against issue of warrants will be utilized for capital expenditure, working capital requirements and for investment in Subsidiary Companies.
- The Board of Directors at their meeting held on July 28, 2015 has declared an interim dividend of 15 paise per equity share of Re.1/- each and it has been paid and in their meeting held on October 31, 2015 has declared second interim dividend of 15 paise per equity share of Re.1/- each.

Particulars	Quarter ended			Half year ended		Year ended 31.03.2015 Audited
	30.09.2015 Un-Audited	30.06.2015 Un-Audited	30.09.2014 Un-Audited	30.09.2015 Un-Audited	30.09.2014 Un-Audited	
Net Sales/Income from Operations	33,257.58	32,532.04	27,170.28	65,789.62	52,515.18	1,21,331.13
Profit Before Tax	4,034.36	4,385.63	3,861.66	8,419.99	7,176.69	13,225.94
Profit After Tax	2,678.90	3,034.67	2,610.66	5,713.57	4,845.60	9,522.64

12) Previous periods / year figures have been regrouped, wherever necessary.

for and on behalf of the Board

Place : Hyderabad
Date : October 31, 2015

C.Krishna Prasad
Chairman & Managing Director



Granules India Limited
Consolidated Statement of Assets and Liabilities

(Rs in Lakhs)

	Particulars	As at September 30, 2015	As at March 31, 2015
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share Capital	2,051.74	2,042.52
	(b) Reserves & Surplus	46,358.50	41,073.83
	(c) Money Received against share warrants	5,314.11	-
	Sub-total - Shareholders' funds	53,724.35	43,116.35
2	Share Application Money Pending Allotment	3.15	-
3	Non-current liabilities		
	(a) Long-term borrowings	28,254.85	30,815.57
	(b) Deferred tax liabilities (Net)	5,108.63	4,927.96
	(c) Long-term provisions	618.88	518.71
	Sub-total - Non-current liabilities	33,982.36	36,262.24
4	Current liabilities		
	(a) Short-term borrowings	11,074.76	12,496.99
	(b) Trade payables	18,960.46	18,872.24
	(c) Other current liabilities	8,529.49	7,736.86
	(d) Short-term provisions	370.41	1,229.16
	Sub-total - Current liabilities	38,935.12	40,335.25
	TOTAL - EQUITY AND LIABILITIES	1,26,644.98	1,19,713.84
B	ASSETS		
1	Non-current assets		
	(a) Fixed Assets		
	(i) Tangible assets	56,311.36	52,804.38
	(ii) Intangible assets	8,561.03	8,850.73
	(iii) Capital work-in-progress	3,792.62	6,203.37
		68,665.01	67,858.48
	(b) Non-current investments	19.14	19.14
	(c) Long-term loans and advances	1,324.95	2,079.47
	(d) Other non-current assets	207.59	281.66
	Sub-total - Non - current assets	70,216.69	70,238.75
2	Current assets		
	(a) Inventories	25,721.55	22,451.66
	(b) Trade receivables	15,493.95	13,262.58
	(c) Cash and cash equivalents	9,577.38	6,530.66
	(d) Short term loans and advances	728.16	465.91
	(e) Other current assets	4,907.25	6,764.28
	Sub-total - Current assets	56,428.29	49,475.09
	TOTAL - ASSETS	1,26,644.98	1,19,713.84

For and on behalf of the Board

Place: Hyderabad
Date :October 31, 2015

C.Krishna Prasad
Chairman & Managing Director

PART I							(Rs.in lakhs)
Statement of Standalone Un-Audited Results for the quarter and half year ended September 30, 2015							
SI No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2015 Un-Audited	30.06.2015 Un-Audited	30.09.2014 Un-Audited	30.09.2015 Un-Audited	30.09.2014 Un-Audited	31.03.2015 Audited
1	Income from Operations						
	(a) Net sales / Income from Operations (Net of Excise duty)	33,257.58	32,532.04	27,170.28	65,789.62	52,515.18	1,21,331.13
	(b) Other operating income	-	-	-	-	-	-
	Total Income from operations (net)	33,257.58	32,532.04	27,170.28	65,789.62	52,515.18	1,21,331.13
2	Expenses						
	(a) Cost of material Consumed	19,598.10	18,419.04	16,390.59	38,017.14	30,881.26	71,777.12
	(b) Changes in Inventories of Finished goods, Work in progress and Stock-in-trade	(587.55)	(603.74)	(1,603.10)	(1,191.29)	(1,688.24)	(1,056.18)
	(c) Employee Benefits Expense	2,567.25	2,575.46	2,004.63	5,142.71	3,834.75	8,923.21
	(d) Depreciation and Amortisation expense	1,437.12	1,391.06	991.04	2,828.18	1,956.78	4,955.87
	(e) Manufacturing Expenses	2,136.69	2,179.56	1,629.37	4,316.25	3,011.47	7,526.40
	(f) Freight outward & clearing charges	1,099.99	1,162.15	1,198.68	2,262.14	2,406.31	4,993.25
	(g) R & D Expenses	302.72	423.13	38.43	725.85	85.35	840.39
	(h) Other expenses	1,924.17	1,954.99	1,985.65	3,879.16	3,553.76	7,348.50
	Total expenses	28,478.48	27,501.65	22,635.29	55,980.13	44,041.43	1,05,308.57
3	Profit from Operations before Other Income, Finance costs & Exceptional Items (1 - 2)	4,779.10	5,030.39	4,534.99	9,809.49	8,473.75	16,022.56
4	Other Income	135.09	162.58	46.00	297.67	77.37	296.32
5	Profit from Ordinary activities before Finance costs and exceptional items (3 + 4)	4,914.19	5,192.97	4,580.99	10,107.16	8,551.12	16,318.88
6	Finance Costs	879.83	807.34	719.33	1,687.17	1,374.43	3,092.94
7	Profit from Ordinary activities after Finance costs but before exceptional items (5 - 6)	4,034.36	4,385.63	3,861.66	8,419.99	7,176.69	13,225.94
8	Exceptional Items	-	-	-	-	-	-
9	Profit from Ordinary activities before Tax (7 + 8)	4,034.36	4,385.63	3,861.66	8,419.99	7,176.69	13,225.94
10	Tax expense	1,355.46	1,350.96	1,251.00	2,706.42	2,331.09	3,703.30
11	Net Profit from ordinary activities after tax (9 - 10)	2,678.90	3,034.67	2,610.66	5,713.57	4,845.60	9,522.64
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net Profit for the period (11 + 12)	2,678.90	3,034.67	2,610.66	5,713.57	4,845.60	9,522.64
14	Paid-up equity share capital (Face Value of Re.1/- per share)	2,051.74	2,047.62	2,040.92	2,051.74	2,040.92	2,042.52
15	Reserves excluding Revaluation Reserve as per balance sheet of previous Accounting Year						40,498.41
16	Earnings per Share (Face value Re. 1/- each) (not Annualised)						
	(a) Basic (in Rs.)	1.31	1.49	1.29	2.80	2.39	4.67
	(b) Diluted (in Rs.)	1.30	1.47	1.26	2.77	2.34	4.62

PART II							
Select Information for the quarter and half year ended September 30, 2015							
SI No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2015	30.06.2015	30.09.2014	30.09.2015	30.09.2014	31.03.2015
A							
1	Public Shareholding						
	- No. of shares	10,58,18,067	10,55,14,340	1,04,84,913	10,58,18,067	1,04,84,913	10,50,04,340
	- Percentage of shareholding	51.58%	51.53%	51.37%	51.58%	51.37%	51.41%
2	Promoters and promoter group shareholding						
a)	Pledged/Encumbered						
	Number of shares	2,06,29,270	1,12,77,585	15,04,330	2,06,29,270	15,04,330	1,50,43,300
	Percentage of shares to promoter and promoter group	20.76%	11.36%	15.16%	20.76%	15.16%	15.16%
	Percentage of shares to total share capital	10.05%	5.51%	7.37%	10.05%	7.37%	7.37%
b)	Non-encumbered						
	Number of shares	7,87,26,435	8,79,69,615	84,19,911	7,87,26,435	84,19,911	8,42,03,900
	Percentage of shares to promoter and promoter group	79.24%	88.64%	84.84%	79.24%	84.84%	84.84%
	Percentage of shares to total share capital	38.37%	42.96%	41.26%	38.37%	41.26%	41.22%

Note: Shares of the Company of face value of Rs.10/- each has been sub-divided into 10 equity shares of Re.1/- each w.e.f 24th March, 2015.

SI No.	Particulars	Quarter ended 30.09.2015
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the Quarter	02
	Received during the quarter	19
	Disposed off during the quarter	21
	Remaining unresolved at the end of the quarter	NIL

- The Un-Audited financial results for the quarter ended September 30, 2015 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on October 31, 2015.
- The Auditors of the Company carried out Limited Review of the financial results for the quarter ended September 30, 2015.
- 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, loss of Rs.423.68 lakhs (Loss of Rs.265.43 lakhs for the Quarter ended September 30, 2014) was transferred to fixed assets.
- The current quarter numbers are not comparable with the corresponding quarter of previous year, due to merger of Auctus Pharma Limited, pursuant to the approval of Scheme of Amalgamation by the Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh vide its order dated September 23, 2014, with the Company during third quarter of FY 2014-15 with appointed date 1.4.2013.
- As per clause 41 of the listing agreement, 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.nse-india.com).
- The Company operates only in the segment of Pharmaceuticals.
- The Company during the current quarter has allotted 4,12,232 equity shares of Re. 1/- each, fully paid up on exercise of options by employees / Directors in accordance with the Company's Employee Stock Option Scheme(s).
- Based on shareholders' approval for issue of 40,95,230 warrants @ Rs.84.91 each in the Annual General Meeting held on August 13, 2015 and 1,86,56,000 warrants @ Rs.95.30 each in the Extra Ordinary General Meeting held on August 24, 2015, the Company has allotted warrants on preferential basis to promoters group. Warrant holders paid 25% of issue price to the company. Funds received against issue of warrants will be utilized for capital expenditure, working capital requirements and for investment in Subsidiary Companies.
- The Board of Directors at their meeting held on July 28, 2015 has declared an interim dividend of 15 paise per equity share of Re.1/- each and it has been paid and in their meeting held on October 31, 2015 has declared second interim dividend of 15 paise per equity share of Re.1/- each.
- Previous periods / years figures have been regrouped, wherever necessary.

for and on behalf of the Board

Place : Hyderabad
Date : October 31, 2015

C.Krishna Prasad
Chairman & Managing Director



Granules India Limited
Standalone Statement of Assets and Liabilities

(Rs in Lakhs)

	Particulars	As at September 30, 2015	As at March 31, 2015
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share Capital	2,051.74	2,042.52
	(b) Reserves & Surplus	45,621.17	40,498.41
	(c) Money Received against share warrants	5,314.11	
	Sub-total - Shareholders' funds	52,987.02	42,540.93
2	Share Application Money Pending Allotment	3.15	-
3	Non-current liabilities		
	(a) Long-term borrowings	21,595.24	24,469.73
	(b) Deferred tax liabilities (Net)	5,481.77	5,328.10
	(c) Long-term provisions	614.46	512.74
	Sub-total - Non-current liabilities	27,691.47	30,310.57
4	Current liabilities		
	(a) Short-term borrowings	10,039.82	11,486.95
	(b) Trade payables	19,892.76	18,384.35
	(c) Other current liabilities	7,300.37	6,163.26
	(d) Short-term provisions	370.41	1,229.16
	Sub-total - Current liabilities	37,603.36	37,263.72
	TOTAL - EQUITY AND LIABILITIES	1,18,285.00	1,10,115.22
B	ASSETS		
1	Non-current assets		
	(a) Fixed Assets		
	(i) Tangible assets	43,265.56	43,527.54
	(ii) Intangible assets	8,425.41	8,689.28
	(iii) Capital work-in-progress	2,665.60	1,849.97
	Sub-total - Non-current assets	54,356.57	54,066.79
	(b) Non-current investments	7,762.19	7,247.19
	(c) Long-term loans and advances	3,469.70	1,869.66
	(d) Other non-current assets	126.42	183.60
	Sub-total - Non-current assets	65,714.88	63,367.24
2	Current assets		
	(a) Inventories	20,341.74	17,939.62
	(b) Trade receivables	20,967.78	18,980.94
	(c) Cash and cash equivalents	6,252.89	5,223.09
	(d) Short-term loans and advances	611.43	386.45
	(e) Other current assets	4,396.28	4,217.88
	Sub-total - Current assets	52,570.12	46,747.98
	TOTAL - ASSETS	1,18,285.00	1,10,115.22

for and on behalf of the Board

Place : Hyderabad
Date : October 31, 2015

C.Krishna Prasad
Chairman & Managing Director