

**Press Release****Granules India's Total Income increases by 21% to INR 468 Cr.**

Hyderabad, July 23, 2018: Granules India Ltd., a growing pharmaceutical manufacturing company, announced today its financial results for the first quarter ended 30th June 2018.

<b>CONSOLIDATED FINANCIALS</b>	<b>Q1 FY'19</b>
TOTAL INCOME	INR 468 Crs.
EBITDA	INR 87 Crs.
EBITDA Margin	18.7%
PAT	INR 52 Crs.
PAT Margin	11.1%

The Company reported a standalone Total Income during the quarter of INR 458 Crs. EBITDA for the quarter was INR 88 Crs. and PAT stood at INR 40 Cr. respectively.

The Company's Board of Directors has proposed a final dividend of 25 paise / share of face value of Rs. 1 each.

*"The first quarter of the current financial year started on a positive note. We saw our total income increase by 21% compared to the same period of previous fiscal. There was also a sequential growth in margin profiles despite the continuing raw material pricing pressures. We have worked towards mitigating this partially to the extent that is in our control. A new supplier has been added for a key raw material and we are simultaneously scouting for newer sources of raw materials. Our belief in the potential of our Joint Ventures has been validated again by their encouraging contribution in achieving 41% growth in the consolidated profit of the Company over the same quarter of previous financial year. Additionally, during this quarter, we have further strengthened our product portfolio by introducing new products. I am happy to share that generic Methylergonovine tablets (Methergine) was launched in partnership with Hikma Pharmaceuticals Plc. by Granules Pharmaceuticals, Inc., the wholly owned subsidiary of Granules India Ltd. This is the first product commercialised from our R&D and manufacturing facility in Virginia",* said **Mr. Krishna Prasad Chigurupati, Chairman & Managing Director, Granules India Limited.**



**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.

**Contacts:**

Sumanta Bajpayee  
Corporate Finance & Investor Relations  
040-30663572  
sumanta.bajpayee@granulesindia.com

Chaitanya Tummala  
Company Secretary  
040-30663614  
chaitanya.tummala@granulesindia.com

*This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. Granules India Ltd., its directors and any of the affiliates or employee is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.*

**GRANULES INDIA LIMITED**  
 Regd Office : 2nd Floor, 3rd Block, My Home Hub  
 Madhapur, Hyderabad 500 081  
 CIN:L24110TG1991PLC012471

Rs in lakhs

**Statement of Consolidated Un-Audited Results for the quarter ended June 30, 2018**

SI No.	Particulars	Quarter ended			Year ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		Un-Audited	Audited	Un-Audited	Audited
<b>1</b>	<b>Income</b>				
	Revenue from operations (Refer note 6)	45,323.70	50,381.93	38,473.73	1,69,184.83
	Other income	1,474.30	967.20	132.48	1,084.27
	<b>Total income</b>	<b>46,798.00</b>	<b>51,349.13</b>	<b>38,606.21</b>	<b>1,70,269.10</b>
<b>2</b>	<b>Expenses</b>				
	(a) Cost of materials consumed	30,105.37	28,173.47	19,225.38	90,290.48
	(b) Changes in inventories of work in progress and finished goods	(5,391.48)	2,799.68	(1,228.49)	(658.34)
	(c) Excise duty on sales	-	-	722.60	722.60
	(d) Employee benefits expense	5,025.47	4,238.52	3,904.31	16,521.21
	(e) Finance costs	654.07	620.73	820.84	3,305.98
	(f) Depreciation/amortisation expense	2,452.82	2,040.52	1,760.23	7,620.20
	(g) Other expenses	8,324.51	10,807.26	8,250.04	34,466.81
	<b>Total expenses</b>	<b>41,170.76</b>	<b>48,680.18</b>	<b>33,454.91</b>	<b>1,52,268.94</b>
	<b>Profit before share of profit from joint venture &amp; associate, exceptional items and tax (1-2)</b>	<b>5,627.24</b>	<b>2,668.95</b>	<b>5,151.30</b>	<b>18,000.16</b>
4	Share of Profit of joint venture and associate, net of tax	1,463.23	324.71	302.42	1,598.81
<b>5</b>	<b>Profit before exceptional items and tax (3+4)</b>	<b>7,090.47</b>	<b>2,993.66</b>	<b>5,453.72</b>	<b>19,598.97</b>
6	Exceptional items	-	-	-	-
<b>7</b>	<b>Profit before tax (5-6)</b>	<b>7,090.47</b>	<b>2,993.66</b>	<b>5,453.72</b>	<b>19,598.97</b>
8	Tax expense				
	Current tax	2,141.46	1,427.92	1,728.83	6,593.71
	Deferred tax	(230.55)	(478.10)	44.73	(253.86)
<b>9</b>	<b>Net Profit for the period (7-8)</b>	<b>5,179.56</b>	<b>2,043.84</b>	<b>3,680.16</b>	<b>13,259.12</b>
<b>10</b>	<b>Other Comprehensive income</b>				
	(a) (i) items that will not be reclassified to profit or loss	-	184.39	-	184.39
	(ii) income tax on (i) above	-	(62.74)	-	(62.74)
	(b) (i) items that will be reclassified to profit or loss	447.96	(856.23)	5.36	(741.14)
	(ii) income tax on (i) above	(165.62)	722.98	-	722.98
	<b>Total Other Comprehensive income, net of tax</b>	<b>282.34</b>	<b>(11.60)</b>	<b>5.36</b>	<b>103.49</b>
<b>11</b>	<b>Total Comprehensive income for the period (9+10)</b>	<b>5,461.90</b>	<b>2,032.24</b>	<b>3,685.52</b>	<b>13,362.61</b>
12	Paid-up equity Share Capital (Face Value of Re.1/- per share)	2,540.93	2,538.38	2,288.03	2,538.38
13	Other equity				1,27,879.21
14	Earnings per Share (Face value Re. 1/- each) (not Annualised)				
	(a) Basic (in Rs.)	2.04	0.81	1.61	5.49
	(b) Diluted (in Rs.)	2.03	0.80	1.60	5.47

- 1 The above unaudited financial results for the quarter ended June 30, 2018 have been reviewed by the Audit Committee of the Board on July 23, 2018 and approved by the Board of Directors at their meeting held on July 23, 2018.
- 2 The consolidated unaudited financial results of the Company have been prepared in accordance with the Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ("Ind AS") and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI").
- 3 The Auditors of the Company have carried out Limited Review of the financial results for the quarter ended June 30, 2018.
- 4 The subsidiaries, joint venture and associate companies considered for the consolidated financial statements as on June 30, 2018 are Granules USA Inc., Granules Pharmaceuticals Inc., Granules Europe Limited (together known as "Subsidiaries") and Hubei Granules Biocause Pharmaceutical Co. Ltd.(known as "associate") and Granules Omnichem Pvt Ltd (known as "joint venture").
- 5 Ind AS 115 "Revenue from Contract with Customers" is mandatory for reporting periods beginning on or after April 1, 2018 and replaces the existing revenue recognition requirements. Based on management assessment, the adoption of the standard did not have any material impact to the financial results of the company.
- 6 Post implementation of Goods and Service Tax ("GST") with effect from 1 July 2017, revenue from operations is disclosed net of GST. For the periods prior to July 01, 2017, the excise duty amount was recorded as part of revenue with a corresponding amount recorded as expense. Accordingly, revenue from operations for the quarter ended June 30, 2018 are not comparable with those of the previous period presented. Following additional information is being provided to facilitate such comparison :

Particulars	Quarter ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
i) Revenue from Operations	45,323.70	50,381.93	38,473.73	1,69,184.83
ii) Excise duty	-	-	722.60	722.60
iii) Revenue from Operations (i-ii)	45,323.70	50,381.93	37,751.13	1,68,462.23

- 7 As per regulation 33 of the Listing Regulations, the Company has opted to publish only consolidated financial results. The standalone financial results are available for perusal at Company's website viz., [www.granulesindia.com](http://www.granulesindia.com) and websites of BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE
- 8 The Company operates in one reportable business segment of Pharmaceutical products including ingredients and intermediaries.
- 9 During the quarter, the Company has allotted 255,000 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).
- 10 The Board of Directors at their meeting held on July 23, 2018 has declared first interim dividend of 25 paise per equity share of Re.1/- each.
- 11 The financial results include the Company's share of profits (net) aggregating of Rs. 1,463.23 lakhs for quarter ended June 30, 2018 from joint venture in which the Company is Co-venturer and an associate. These financial results are based on the management certified financial information of the joint venture and an associate. As the joint venture and an associate do not present reviewed financial results on a quarterly basis, amount included therein have not been subject to review by the Statutory Auditors of the respective joint venture and an associate.
- 12 Standalone Results for the quarter ended are as under -

Particulars	Rs in lakhs			
	Quarter ended			Year ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
	<b>Un-Audited</b>	<b>Audited</b>	<b>Un-Audited</b>	<b>Audited</b>
Revenue from Operations	44,033.91	47,333.31	39,436.21	1,65,386.92
Profit Before Tax	5,927.09	5,135.52	5,289.38	20,845.29
Profit After Tax	3,956.92	3,418.29	3,550.76	13,916.19

for and on behalf of the Board

Place : Hyderabad  
Date : July 23, 2018

Krishna Prasad Chigurupati  
Chairman and Managing Director

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 Regd Office : 2nd Floor, 3rd Block, My Home Hub  
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Rs in lakhs

**Statement of Standalone Un-Audited Results for the quarter ended June 30, 2018**

Sl No.	Particulars	Quarter ended			Year ended
		30.06.2018	31.03.2018	30.06.2017	31.03.2018
		Un-Audited	Audited	Un-Audited	Audited
<b>1</b>	<b>Income</b>				
	Revenue from operations (Refer note 5)	44,033.91	47,333.31	39,436.21	1,65,386.92
	Other income	1,801.81	1,344.71	394.87	2,377.13
	<b>Total income</b>	<b>45,835.72</b>	<b>48,678.02</b>	<b>39,831.08</b>	<b>1,67,764.05</b>
<b>2</b>	<b>Expenses</b>				
	(a) Cost of materials consumed	29,440.73	27,647.02	19,030.02	89,020.17
	(b) Changes in inventories of work in progress and finished goods	(4,098.09)	995.36	1,241.98	1,289.37
	(c) Excise duty on sales	-	-	722.60	722.60
	(d) Employee benefits expense	4,144.79	3,815.03	3,430.09	14,792.40
	(e) Finance costs	652.35	618.31	818.23	3,292.70
	(f) Depreciation/amortisation expense	2,187.09	2,034.54	1,752.41	7,591.64
	(g) Other expenses	7,581.76	8,432.24	7,546.37	30,209.88
	<b>Total expenses</b>	<b>39,908.63</b>	<b>43,542.50</b>	<b>34,541.70</b>	<b>1,46,918.76</b>
<b>3</b>	<b>Profit before exceptional items and tax (1-2)</b>	<b>5,927.09</b>	<b>5,135.52</b>	<b>5,289.38</b>	<b>20,845.29</b>
<b>4</b>	Exceptional items	-	-	-	-
<b>5</b>	<b>Profit before tax (3-4)</b>	<b>5,927.09</b>	<b>5,135.52</b>	<b>5,289.38</b>	<b>20,845.29</b>
<b>6</b>	Tax expense				
	Current tax	2,141.46	1,443.69	1,680.44	6,389.75
	Deferred tax	(171.29)	273.54	58.18	539.35
<b>7</b>	<b>Net Profit for the period (5-6)</b>	<b>3,956.92</b>	<b>3,418.29</b>	<b>3,550.76</b>	<b>13,916.19</b>
<b>8</b>	<b>Other Comprehensive income</b>				
	(a) (i) items that will not be reclassified to profit or loss	-	181.30	-	181.30
	(ii) income tax on (i) above	-	(62.74)	-	(62.74)
	(b)(i) items that will be reclassified to profit or loss	473.96	(2,068.98)	-	(2,068.98)
	(ii) income tax on (i) above	(165.62)	722.98	-	722.98
	<b>Total Other Comprehensive income, net of tax</b>	<b>308.34</b>	<b>(1,227.44)</b>	<b>-</b>	<b>(1,227.44)</b>
<b>9</b>	<b>Total Comprehensive income for the period (7+8)</b>	<b>4,265.26</b>	<b>2,190.85</b>	<b>3,550.76</b>	<b>12,688.75</b>
<b>10</b>	Paid-up equity Share Capital (Face Value of Re.1/- per share)	2,540.93	2,538.38	2,288.03	2,538.38
<b>11</b>	Other equity				1,25,281.43
<b>12</b>	Earnings per Share (Face value Re. 1/- each) (not Annualised)				
	(a) Basic (in Rs.)	1.56	1.35	1.55	5.76
	(b) Diluted (in Rs.)	1.55	1.34	1.55	5.74

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i) Revenue from Operations	44,033.91	47,333.31	39,436.21	1,65,386.92
ii) Excise duty	-	-	722.60	722.60
iii) Revenue from Operations (i-ii)	44,033.91	47,333.31	38,713.61	1,64,664.32

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- 9 The Board of Directors at their meeting held on July 23, 2018 has declared first interim dividend of 25 paise per equity share of Re.1/-

**for and on behalf of the Board**

Place : Hyderabad  
Date : July 23, 2018

**Krishna Prasad Chigurupati**  
Chairman and Managing Director