



REGISTERED OFFICE

GRANULES INDIA LTD., 2nd Floor, 3rd Block, My Home Hub,
Madhapur, Hyderabad - 500 081, Telangana, INDIA.
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CIN: L24110TG1991PLC012471

Date: 22nd October 2019

To
National Stock Exchange of India Limited &
BSE Limited.
Scrip Code: NSE- GRANULES; BSE-532482.

Sub: Outcome of 195th Board meeting dated 22nd October, 2019.
Ref: Regulation 30 and 33 of the Listing Regulations.

Dear Sir,

The Board of Directors at their meeting has -

1. Approved the Un-Audited financial results (Standalone & Consolidated) for the second quarter ended 30th September 2019 prepared under Indian Accounting Standards (Ind - AS);
2. Declared second interim dividend of 25 paise per share of face value of Re. 1/- each representing 25% of paid-up capital for the financial year 2019-20;
3. Fixed the record date as 2nd November 2019 for the purpose of payment of second interim dividend for the financial year 2019-20.
4. Appointed Mr. Sandip Neogi as Chief Financial Officer of the Company with effect from November 4, 2019. Brief Profile of Mr. Sandip Neogi is enclosed to this letter.

Pursuant to regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we are enclosing the Un-Audited financial results (Standalone and Consolidated) of the Company for the second quarter ended 30th September, 2019.


We also enclose a copy of the Limited Review Report of the Statutory Auditors of the Company, as required under Regulation 33 of the Listing Regulations and press release.


The meeting of the Board of Directors of the Company commenced at 11.00 A.M and concluded at 12.40 P.M.

Request you to take the above information on record.

Thanking You.
Yours faithfully,

For GRANULES INDIA LIMITED


CHAITANYA TUMMALA
(COMPANY SECRETARY &
COMPLIANCE OFFICER)



Encl: As above

Brief Profile of Mr. Sandip Neogi

Mr. Sandip Neogi is a Chartered Accountant and Cost Accountant. He comes with a rich experience of over 26 years in Strategic Financial Planning and Analysis, Business valuations, Risk Management, SEC Expertise, Mergers and Acquisitions, Treasury, USGAAP, IFRS, Indian GAAP and Internal controls. Mr. Sandip had earlier worked with reputed organizations such as Hospira Healthcare, Dr Reddy's, CA-TCG Software, Tata Karf and Price Waterhouse Coopers and Nissan Automobiles.

B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City
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Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results under Regulation 33 of the Listing Regulations

To

Board of Directors of Granules India Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Granules India Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 30 September 2019 and year to date results for the period from 01 April 2019 to 30 September 2019 and its share of the net profit after tax and total comprehensive income of its associate and joint venture for the year to date results for the period from 01 April 2019 to 30 September 2019 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

Name of the entity	Relationship
Granules USA Inc.	Wholly owned subsidiary
Granules Pharmaceutical Inc.	Wholly owned subsidiary
Granules Europe Limited	Wholly owned subsidiary
Granules-Biocause Pharmaceutical Co. Ltd.	Associate
Granules Omnicem Private Limited	Joint venture

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Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results under Regulation 33 of the Listing Regulations (continued)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of two subsidiaries included in the Statement, whose interim financial information reflect total assets of Rs. 86,037.46 lakhs as at 30 September 2019 and total revenues of Rs. 15,511.51 lakhs and Rs. 29,226.09 lakhs, total net profit after tax of Rs. 489.73 lakhs and Rs. 1,168.81 lakhs and total comprehensive income of Rs. 1,351.71 lakhs and Rs. 1,910.18 lakhs, for the quarter ended 30 September 2019 and for the period from 01 April 2019 to 30 September 2019, respectively, and net cash outflows of Rs. 1,831.40 lakhs for the period from 01 April 2019 to 30 September 2019, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. 3,009.47 lakhs and total comprehensive income of Rs.2,646.21 lakhs for the period from 01 April 2019 to 30 September 2019, respectively, as considered in the Statement, in respect of an associate, whose interim financial information have not been reviewed by us. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.



Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results under Regulation 33 of the Listing Regulations (continued)

7. The Statement includes the interim financial information of a subsidiary which have not been reviewed, whose interim financial information reflect total assets of Rs. 85.20 lakhs as at 30 September 2019 and total revenue of Rs. Nil and Rs. Nil, total net loss after tax of Rs. 53.81 lakhs and Rs. 112.66 lakhs and total comprehensive loss of Rs. 51.22 lakhs and Rs.91.22 lakhs for the quarter ended 30 September 2019 and for the period from 01 April 2019 to 30 September 2019, respectively, and net cash inflows net of Rs. 67.72 lakhs for the period from 01 April 2019 to 30 September 2019, as considered in the Statement. The Statement also includes the Group's share of net loss after tax of Rs. 460.39 lakhs and total comprehensive loss of Rs. 460.39 lakhs for the period from 01 April 2019 to 30 September 2019, respectively, as considered in the consolidated unaudited financial results, in respect of a joint venture, based on their interim financial information which have not been reviewed. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration No.: 116231W/ W-100024



Sriram Mahalingam

Partner

Membership No.: 049642

UDIN: 19049642AAAADM2700

Place: Hyderabad

Date: 22 October 2019



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

Rs in lakhs

Statement of Consolidated Unaudited Results for the quarter and half-year ended September 30, 2019

Sl No.	Particulars	Quarter ended			Half-year ended		Year ended
		30.09.2019 Un-Audited	30.06.2019 Un-Audited	30.09.2018 Un-Audited	30.09.2019 Un-Audited	30.09.2018 Un-Audited	31.03.2019 Audited
	Income						
1	Revenue from operations	69,953.39	59,527.28	58,086.68	129,480.67	103,410.38	227,919.77
2	Other income	867.13	185.47	418.14	1,052.60	1,892.44	2,668.26
3	Total income (1+2)	70,820.52	59,712.75	58,504.82	130,533.27	105,302.82	230,588.03
	Expenses						
	(a) Cost of materials consumed	34,801.79	32,587.19	34,261.66	67,388.98	64,367.03	133,897.31
	(b) Changes in inventories of work in progress and finished goods	1,137.30	(3,042.46)	(2,490.24)	(1,905.16)	(7,881.72)	(8,341.09)
	(c) Employee benefits expense	6,344.15	5,702.98	5,459.83	12,047.13	10,485.30	20,982.44
	(d) Finance costs	685.49	686.99	759.90	1,372.48	1,413.96	2,846.07
	(e) Depreciation and amortisation expense	3,031.94	2,866.97	2,652.78	5,898.91	5,105.60	10,548.34
	(f) Other expenses	13,309.90	12,417.54	10,802.39	25,727.44	19,126.90	42,977.34
	Total expenses	59,310.57	51,219.21	51,446.32	110,529.78	92,617.07	202,910.41
	Profit before share of profit from joint venture & associate, exceptional items and tax (3-4)	11,509.95	8,493.54	7,058.50	20,003.49	12,685.75	27,677.62
	Share of profit of joint venture and associate, net of tax (refer note 8(a) & 8(b))	-	2,549.09	1,302.83	2,549.09	2,766.05	4,874.32
7	Profit before exceptional items and tax (5+6)	11,509.95	11,042.63	8,361.33	22,552.58	15,451.80	32,551.94
8	Exceptional items	-	-	-	-	-	-
9	Profit before tax (7-8)	11,509.95	11,042.63	8,361.33	22,552.58	15,451.80	32,551.94
10	Tax expense						
	a) Current tax	2,682.36	3,042.45	2,257.63	5,724.81	4,399.09	8,192.27
	b) Deferred tax	(751.71)	(324.01)	77.64	(1,075.72)	(152.91)	718.82
	Total tax expense	1,930.65	2,718.44	2,335.27	4,649.09	4,246.18	8,911.09
11	Profit for the period (9-10)	9,579.30	8,324.19	6,026.06	17,903.49	11,205.62	23,640.85
12	Other comprehensive income (net of tax)						
	(a) (i) items that will not be reclassified to profit or loss	-	-	-	-	-	(105.56)
	(ii) income tax on (i) above	-	-	-	-	-	36.66
	(b) (i) items that will be reclassified to profit or loss	1,871.13	(941.18)	(91.96)	929.95	355.99	2,099.81
	(ii) income tax on (i) above	(547.50)	197.07	1,042.76	(350.43)	877.14	(728.48)
	Total other comprehensive income, net of tax	1,323.63	(744.11)	950.80	579.52	1,233.13	1,302.43
13	Total comprehensive income for the period (11+12)	10,902.93	7,580.08	6,976.86	18,483.01	12,438.75	24,943.28
14	Paid-up equity share capital (Face Value of Rs.1/- per share)	2,542.48	2,542.48	2,541.73	2,542.48	2,541.73	2,542.48
15	Other equity						150,404.83
16	Earnings per share (Face value Rs. 1/- each) (not annualised)						
	(a) Basic (in Rs.)	3.77	3.27	2.37	7.04	4.41	9.30
	(b) Diluted (in Rs.)	3.76	3.27	2.36	7.03	4.40	9.28



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Consolidated Statement of Assets and Liabilities :

Sl.No.	Particulars	As at	As at
		September 30, 2019	March 31, 2019
		Un-Audited	Audited
I	ASSETS		
	Non-current assets		
	a) Property, plant and equipment	74,154.14	74,755.69
	b) Capital work-in-progress	35,052.51	32,349.96
	c) Other intangible assets	20,787.87	19,669.12
	d) Intangible assets under development	18,013.41	17,245.19
	e) Financial assets		
	i) Investments	3,938.19	21,042.07
	ii) Loans	1,880.56	1,692.61
	f) Deferred tax assets	385.73	422.70
	g) Non-current tax assets (net)	93.31	169.26
	h) Other non-current assets	5,588.91	2,710.55
	Total non-current assets	159,894.63	170,057.15
	Current assets		
	a) Inventories	38,063.49	38,421.25
	b) Financial assets		
	i) Trade receivables	77,826.47	67,354.24
	ii) Cash and cash equivalents	10,112.94	8,302.43
	iii) Bank balances other than cash and cash equivalents above	601.73	601.59
	iv) Loans	328.80	315.43
	v) Other financial assets	97.58	51.68
	c) Other current assets	10,856.92	13,177.55
		137,887.93	128,224.17
	d) Assets held for sale (refer note 8(a) & 8(b))	19,372.94	-
	Total current assets	157,260.87	128,224.17
	TOTAL ASSETS	317,155.50	298,281.32
II	EQUITY AND LIABILITIES		
	Equity		
	a) Equity share capital	2,542.48	2,542.48
	b) Other equity	167,534.17	150,404.83
	Total equity	170,076.65	152,947.31
	Liabilities		
	Non-current liabilities		
	a) Financial liabilities		
	i) Borrowings	43,673.42	47,878.25
	b) Provisions	1,646.21	1,258.07
	c) Deferred tax liabilities (net)	5,799.56	6,549.49
	Total non-current liabilities	51,119.19	55,685.81
	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	40,304.21	45,420.61
	ii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	205.36	371.45
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	39,073.42	31,976.29
	iii) Other financial liabilities	13,213.20	10,194.84
	b) Other current liabilities	1,490.01	1,165.44
	c) Provisions	433.83	433.83
	d) Current tax liabilities (net)	1,239.63	85.74
	Total current liabilities	95,959.66	89,648.20
	Total liabilities	147,078.85	145,334.01
	TOTAL EQUITY AND LIABILITIES	317,155.50	298,281.32



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Unaudited consolidated statement of Cash flows for the six months ended September 30, 2019		Rs in lakhs	
		Six months ended September 30, 2019	Six months ended September 30, 2018
		Un-Audited	Un-Audited
Cash flow from operating activities			
Profit before tax		22,552.58	15,451.80
<i>Adjustments to reconcile profit before tax to net cash flows</i>			
Depreciation and amortisation expense		5,898.91	5,105.60
Bad debts written off		1.09	(31.17)
Allowance for doubtful trade receivables		521.93	500.00
Share of profit from joint venture and associate		(2,549.09)	(2,766.05)
Loss on sale of assets (net)		22.60	-
Net loss/(gain) on foreign exchange fluctuations (unrealised)		(736.30)	37.91
Share based payment expense		44.39	90.00
Interest expense		1,372.48	1,413.96
Interest income		(220.05)	(473.25)
Operating profit before working capital changes		26,908.54	19,328.80
Exchange differences on translation of foreign operations		1,041.26	2,722.28
<i>Movements in working capital:</i>			
Increase in trade receivables		(9,875.73)	(3,342.33)
Decrease/(increase) in inventories		357.76	(10,892.91)
Decrease in other assets		2,036.06	2,359.18
Increase in trade payables, other liabilities and provisions		6,486.30	5,729.24
Cash generated from operations		26,954.19	15,904.26
Taxes paid (net of refunds)		(4,482.65)	(4,352.88)
Net cash generated from operating activities	(A)	22,471.54	11,551.38
Cash flow from investing activities			
Purchase of fixed assets including capital work-in-progress, capital advances and payables for capital goods		(11,573.46)	(17,877.82)
Proceeds from sale of fixed assets		17.14	-
Placement of bank deposits		-	(5.28)
Interest received		174.15	480.60
Net cash used in investing activities	(B)	(11,382.17)	(17,402.50)
Cash flow from financing activities			
Proceeds from issuance of shares		-	88.72
Proceeds from borrowings		-	12,631.29
Repayment of borrowings		(1,017.40)	(1,105.32)
(Repayment)/proceeds of short-term borrowings, net		(5,343.32)	(2,534.44)
Interest paid		(1,385.60)	(1,308.63)
Dividend paid on equity shares including tax thereon		(1,532.54)	(1,531.61)
Net cash (used in)/generated from financing activities	(C)	(9,278.86)	6,240.01
Net increase in cash and cash equivalents	(A+B+C)	1,810.51	388.89
Cash and cash equivalents at the beginning of the period		8,302.43	10,803.28
Cash and cash equivalents at the end of the period		10,112.94	11,192.17

Note: The above Statement of Cash flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'

Notes:

- The above consolidated unaudited financial results for the quarter and half-year ended September 30, 2019 have been reviewed by the Audit Committee on October 22, 2019 and approved by the Board of Directors at their meeting held on October 22, 2019.
- 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 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Auditors of the Company have carried out Limited Review of the financial results for the quarter and half year ended September 30, 2019.
- The subsidiaries, joint venture and associate companies considered for the consolidated financial statements as on September 30, 2019 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").
- Effective from April 1, 2019, the Group has adopted Ind AS 116 – Leases using modified retrospective method. This has resulted in recognizing right of use assets and lease liability as on April 1, 2019. The adoption of the standard did not have any material impact to the unaudited financial results.
- The Group operates in one reportable business segment of Pharmaceutical products including ingredients and intermediaries.
- The Company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the six months ended September 30, 2019 and remeasured its deferred tax liabilities basis the rates prescribed in the said section.
- a) During the quarter, the Company has announced its intention to divest the entire stake in Granules OmniChem Private Limited. The Investment in Joint venture is presented as held for sale in the unaudited financial statements for the period ended September 30, 2019.
b) On October 14 2019, the Company has announced its intention to divest the entire stake in Granules-Biocause Pharmaceutical Co. Ltd, an overseas Associate Company situated in China. The Investment in Associate is presented as held for sale in the unaudited financial statements for the period ended September 30, 2019. The company is yet to enter into definitive agreement for the stake sale.
- The Board of Directors at their meeting held on October 22, 2019 has declared second interim dividend of 25 paise per equity share of Rs.1/- each.
- The figures for the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.
- Standalone results for the quarter / year ended are as under -

Particulars	Rs in lakhs					
	Quarter ended			Half-year ended		Year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
Revenue from Operations	63,876.64	56,784.79	51,594.32	120,661.43	95,628.23	209,843.26
Profit Before Tax	11,298.65	8,807.52	6,161.60	20,106.17	12,088.69	24,170.68
Profit After Tax	9,431.85	5,953.18	4,082.04	15,385.03	8,038.96	16,184.05

Place : Hyderabad
Date : October 22, 2019



FOR IDENTIFICATION ONLY

for and on behalf of the Board
Krishna Prasad Chigurupati
Krishna Prasad Chigurupati
Chairman and Managing Director



B S R & Associates LLP

Chartered Accountants

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Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results under Regulation 33 of the Listing Regulations.

To
Board of Directors of Granules India Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Granules India Limited ('the Company') for the quarter ended 30 September 2019 and year to date results for the period from 01 April 2019 to 30 September 2019 to ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Associates LLP**
Chartered Accountants
ICAI Firm Registration No.: 116231W/ W-100024



Sriram Mahalingam
Partner
Membership No.: 049642
UDIN: 19049642AAAADL9271

Place: Hyderabad
Date: 22 October 2019



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

Rs in lakhs

Statement of Standalone Unaudited Results for the quarter and half-year ended September 30, 2019

Sl No.	Particulars	Quarter ended			Half-year ended		Year ended
		30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
	Income						
1	Revenue from operations	63,876.64	56,784.79	51,594.32	120,661.43	95,628.23	209,843.26
2	Other income	438.03	151.37	345.74	589.40	2,147.55	2,848.91
3	Total income (1+2)	64,314.67	56,936.16	51,940.06	121,250.83	97,775.78	212,692.17
4	Expenses						
	(a) Cost of materials consumed	33,173.05	31,140.48	33,706.37	64,313.53	63,147.10	131,733.38
	(b) Changes in inventories of work in progress and finished goods	1,198.51	(847.98)	(3,675.05)	350.53	(7,773.14)	(6,701.53)
	(c) Employee benefits expense	4,688.97	4,576.85	4,140.64	9,265.82	8,285.43	16,699.57
	(d) Finance costs	669.91	680.02	759.14	1,349.93	1,411.49	2,836.02
	(e) Depreciation and amortisation expense	2,499.75	2,525.50	2,264.72	5,025.25	4,451.81	9,077.21
	(f) Other expenses	10,785.83	10,053.77	8,582.64	20,839.60	16,164.40	34,876.84
	Total expenses	53,016.02	48,128.64	45,778.46	101,144.66	85,687.09	188,521.49
5	Profit before exceptional items and tax (3-4)	11,298.65	8,807.52	6,161.60	20,106.17	12,088.69	24,170.68
6	Exceptional items	-	-	-	-	-	-
7	Profit before tax (5-6)	11,298.65	8,807.52	6,161.60	20,106.17	12,088.69	24,170.68
8	Tax expense						
	a) Current tax	2,687.53	3,025.39	2,257.63	5,712.92	4,399.09	8,192.27
	b) Deferred tax	(820.73)	(171.05)	(178.07)	(991.78)	(349.36)	(205.64)
	Total tax expense	1,866.80	2,854.34	2,079.56	4,721.14	4,049.73	7,986.63
9	Profit for the period (7-8)	9,431.85	5,953.18	4,082.04	15,385.03	8,038.96	16,184.05
10	Other comprehensive income (net of tax)						
	(a) (i) items that will not be reclassified to profit or loss	-	-	-	-	-	(104.92)
	(ii) income tax on (i) above	-	-	-	-	-	36.66
	(b) (i) items that will be reclassified to profit or loss	669.50	(429.00)	(2,984.09)	240.50	(2,510.13)	1,870.87
	(ii) income tax on (i) above	(210.44)	149.91	1,042.76	(60.53)	877.14	(653.76)
	Total other comprehensive income, net of tax	459.06	(279.09)	(1,941.33)	179.97	(1,632.99)	1,148.85
11	Total comprehensive income for the period (9+10)	9,890.91	5,674.09	2,140.71	15,565.00	6,405.97	17,332.90
12	Paid-up equity share capital (Face Value of Rs.1/- per share)	2,542.48	2,542.48	2,541.73	2,542.48	2,541.73	2,542.48
13	Other equity						139,781.03
14	Earnings per share (Face value Rs. 1/- each) (not annualised)						
	(a) Basic (in Rs.)	3.71	2.34	1.61	6.05	3.17	6.37
	(b) Diluted (in Rs.)	3.71	2.34	1.60	6.04	3.16	6.35



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Standalone statement of Assets and Liabilities :		Rs in lakhs	
Sl. No.	Particulars	As at	As at
		September 30, 2019	March 31, 2019
		Un-Audited	Audited
I	ASSETS		
	Non-current assets		
	a) Property, plant and equipment	62,539.00	63,265.57
	b) Capital work-in-progress	33,305.33	30,874.48
	c) Other intangible assets	6,292.13	6,729.41
	d) Intangible assets under development	3,092.77	2,428.38
	e) Financial assets		
	i) Investments	44,539.17	50,646.30
	ii) Loans	10,987.80	6,545.08
	f) Other non-current assets	1,555.40	1,056.93
	Total non-current assets	162,311.60	161,546.15
	Current assets		
	a) Inventories	28,744.72	31,413.51
	b) Financial assets		
	i) Trade receivables	78,252.45	70,420.94
	ii) Cash and cash equivalents	9,216.23	5,642.03
	iii) Bank balances other than cash and cash equivalents above	601.73	601.59
	iv) Loans	45.26	49.10
	v) Other financial assets	43.58	34.07
	c) Other current assets	10,453.37	12,729.67
	d) Assets held for sale [refer note 6(a) & 6(b)]	127,357.34	120,890.91
	Total current assets	6,107.13	-
	TOTAL ASSETS	133,464.47	120,890.91
		295,776.07	282,437.06
II	EQUITY AND LIABILITIES		
	Equity		
	a) Equity share capital	2,542.48	2,542.48
	b) Other equity	153,813.49	139,781.03
	Total equity	156,355.97	142,323.51
	Liabilities		
	Non-current liabilities		
	a) Financial liabilities		
	i) Borrowings	43,587.02	47,878.25
	b) Provisions	1,646.21	1,258.07
	c) Deferred tax liabilities (net)	5,762.00	6,693.25
	Total non-current liabilities	50,995.23	55,829.57
	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	40,304.21	45,420.61
	ii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	205.36	371.45
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	31,995.71	27,317.78
	iii) Other financial liabilities	12,771.21	9,631.22
	b) Other current liabilities	1,451.56	1,023.35
	c) Provisions	433.83	433.83
	d) Current tax liabilities (net)	1,262.99	85.74
	Total current liabilities	88,424.87	84,283.98
	Total liabilities	139,420.10	140,113.55
	TOTAL EQUITY AND LIABILITIES	295,776.07	282,437.06



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Unaudited standalone statement of Cash flows for the six months ended September 30, 2019		Rs in lakhs	
		Six months ended September 30, 2019	Six months ended September 30, 2018
		Un-Audited	Un-Audited
Cash flow from operating activities			
Profit before tax		20,106.17	12,088.69
<i>Adjustments to reconcile profit before tax to net cash flows</i>			
Depreciation and amortisation expense		5,025.25	4,451.81
Allowance for doubtful trade receivables		521.93	500.00
Loss on sale of assets (net)		22.60	-
Net loss/(gain) on foreign exchange fluctuations (unrealised)		(844.03)	17.92
Share based compensation expense		-	90.00
Interest expense		1,349.93	1,411.49
Interest income		(327.00)	(895.27)
Operating profit before working capital changes		25,854.85	17,664.64
<i>Movements in working capital:</i>			
Increase in trade receivables		(7,233.92)	579.77
Decrease/(increase) in inventories		2,668.79	(10,545.14)
Decrease in other assets		2,083.11	3,169.12
Increase in trade payables, other liabilities and provisions		4,263.11	3,374.75
Cash generated from operations		27,635.94	14,243.14
Taxes paid (net of refunds)		(4,535.67)	(4,166.52)
Net cash generated from operating activities	(A)	23,100.27	10,076.62
Cash flow from investing activities			
Purchase of fixed assets including capital work-in-progress, capital advances and payables for capital goods		(6,466.43)	(10,429.90)
Proceeds from sale of fixed assets		17.14	0.25
Placement of bank deposits		-	(5.28)
Loans given to subsidiaries		(3,995.16)	(6,481.53)
Interest received		174.69	438.11
Net cash used in investing Activities	(B)	(10,269.76)	(16,478.35)
Cash flow from financing activities			
Proceeds from issuance of shares		-	88.73
Proceeds from borrowings		-	12,631.29
Repayment of borrowings		(1,017.40)	(1,105.32)
(Repayment)/proceeds of short-term borrowings, net		(5,343.32)	(2,534.44)
Interest paid		(1,363.05)	(1,306.16)
Dividend paid on equity shares including tax thereon		(1,532.54)	(1,531.61)
Net cash (used in)/generated from financing activities	(C)	(9,256.31)	6,242.49
Net increase/(decrease) in cash and cash equivalents	(A+B+C)	3,574.20	(159.24)
Cash and cash equivalents at the beginning of the period		5,642.03	8,980.94
Cash and cash equivalents at the end of the period		9,216.23	8,821.70

Note: The above Statement of Cash flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'

Notes:

- The above standalone unaudited financial results for the quarter and half-year ended September 30, 2019 have been reviewed by the Audit Committee on October 22, 2019 and approved by the Board of Directors at their meeting held on October 22, 2019.
- The standalone 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 in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Auditors of the Company have carried out Limited Review of the financial results for the quarter and half year ended September 30, 2019.
- Effective from April 1, 2019, the Company has adopted Ind AS 116 – Leases using modified retrospective method. This has resulted in recognizing right of use assets and lease liability as on April 1, 2019. The adoption of the standard did not have any material impact to the unaudited financial results.
- The Company elected to exercise the option permitted under section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for income tax for the six months ended September 30, 2019 and remeasured its deferred tax liabilities basis the rates prescribed in the said section.
- a) During the quarter, the Company has announced its intention to divest the entire stake in Granules OmniChem Private Limited. The Investment in Joint venture is presented as held for sale in the unaudited financials statements for the period ended September 30, 2019.
b) On October 14 2019, the Company has announced its intention to divest the entire stake in Granules-Bioclause Pharmaceutical Co. Ltd, an overseas Associate Company situated in China. The Investment in Associate is presented as held for sale in the unaudited financial statements for the period ended September 30, 2019. The company is yet to enter into definitive agreement for the stake sale.
- The Company operates in one reportable business segment of Pharmaceutical products including ingredients and intermediaries.
- The Board of Directors at their meeting held on October 22, 2019 has declared second interim dividend of 25 paise per equity share of Rs.1/- each.
- The figures for the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.

Place : Hyderabad
Date : October 22, 2019



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for and on behalf of the Board
Krishna Prasad Chigurupati
Krishna Prasad Chigurupati
Chairman and Managing Director



Press Release

Granules India's Q2FY20 Adjusted Net Profit up 104%

Hyderabad, 22nd Oct 2019: Granules India Ltd., a growing pharmaceutical manufacturing company, announced its result for second quarter of financial year 2020 today.

CONSOLIDATED FINANCIALS	Q2FY'20	Q2FY'19	Growth (Y-o-Y)
Income from Operations	INR 700 Crs.	INR 581 Crs.	20.4%
Operating Profit	INR 144 Crs.	INR 101 Crs.	42.8%
Operating Profit Margin	20.5%	17.3%	322bps
Net Profit	INR 96 Crs.	INR 60 Crs.	59.0%
Net Profit Margin	13.7%	10.4%	332bps
Share of Profit of JVs	NA	INR 13 Crs.	
Net Profit excluding JV profit	INR 96 Crs.	INR 47 Crs.	102.8%

STANDALONE FINANCIALS	Q2FY'20	Q2FY'19	Growth (Y-o-Y)
Income from Operations	INR 639 Crs.	INR 516 Crs.	23.8%
Operating Profit	INR 140 Crs.	INR 88 Crs.	58.7%
Operating Profit Margin	22.0%	17.1%	483bps
Net Profit	INR 94 Crs.	INR 41 Crs.	131.1%
Net Profit Margin	14.8%	7.9%	685bps

The Company's Board of Directors have recommended a second interim dividend of 25 paise per share of face value of Re. 1 each.

The Board has approved the divestment of the company's stake in Granules Omnichem Private Limited, a Joint Venture Company located in India and an approval to divestment of its stake in Granules Biocause Pharmaceutical Co. Limited, a Joint Venture Company located in China. Both the actions will allow us to focus on our core strengths while allowing us to enhance our free cash flow and reduce net debt.



*"I am happy to share with you that our growth momentum has continued in the second quarter and we reported an adjusted **profit growth of 103% over the corresponding quarter of the previous year**. This is the result of operational excellence and a vigilant watch over our margins via optimal product mix, capacity utilization and minimization of our expenses. Our unwavering focus on the **regulated market at a contribution of 73% (North America and Europe)** and a shift towards **PFIs and FDs at 69% of the total revenue** has enabled us to achieve this growth during the quarter. **During the quarter, we have filed 2 ANDAs and received approval for 1 ANDA by the USFDA**. We have also **filed two dossiers in Europe and the UK** to expand our global presence of our core molecules and to reduce our concentration risk. We are well on track to fulfil our commitment of higher return on investments and improve the leverage position of our Company. With improved cash flow our net debt position is now at a comfortable level of 1.6x of EBITDA." said Mr. Krishna Prasad Chigurupati, Chairman & Managing Director of 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. The Company has 6 manufacturing facilities out of which 5 are located in India and 1 in USA and has regulatory approvals from US FDA, EDQM, EU GMP, COFEPRIS, WHO GMP, TGA, K FDA, DEA, MCC and HALAL.

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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.