Press Release

Granules India's FY13 Sales increases 17% to Rs. 764 Cr.; Net Profit increases 9% to Rs. 33 Cr

Hyderabad, April 25, 2013: Granules India Ltd., a fast growing pharmaceutical manufacturing company, announced financial results for its fiscal year 2013 ended March 31, 2013. Granules consolidated net sales increased 17% to Rs. 764 Cr. while consolidated net profit increased 9% to Rs. 33 Cr.

Financial Highlights for Fiscal Year ended March 31, 2013

- Net Sales: Rs. 764 Cr., an increase of 17% compared to Rs. 654 Cr. in FY12
- PBT: Rs. 46 Cr., an increase of 8% compared to Rs. 43 Cr. in FY12
- Net Profit: Rs. 33 Cr., an increase of 8% compared to Rs. 30 Cr. in FY12

The Company reported sales of Rs. 204 Cr., its highest ever, in Q4FY13, an increase of 9% compared to the comparable quarter in FY12. In addition, PBT before F/X increased by 15% to Rs. 18 Cr.

Granules also announced the completion of the expansion at its Gagillapur Facility. The Company has commenced operations of the new capacity and expects to scale up operations over the next several months. Due to the delay in the scale-up of the new capacity, margins slipped since the Company incurred costs to run the new facility without a concurrent increase in production. The Company expects margins to increase since production is increasing at the facility.

"While we faced a setback in scaling-up our formulation expansion, we are optimistic for the future. Our strategy has enabled us to entrench ourselves within our industry and become synonymous with the products we produce. Due to our ability to provide high-quality products at a cost effective price, we have been able to work closely with market leaders which has resulted in sustainable revenue. We have made significant improvements over the past year and believe our foundation is stronger than ever. In FY14, we'll continue to shift to formulations which will result in an improvement in profitability." said Krishna Prasad, Managing Director of Granules India.

Appendix

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.

Granules has the largest PFI facility in the world with an industry leading 6 ton batch size. 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.

Granules has strengthened its advantages through its Operational Excellence (OE) department which looks at every step of the manufacturing process in order to gain efficiencies and has also implemented systems that have standardized quality and reduced variation The Company's OE program is regularly cited by MNCs as a "best in class" program and is the comparative advantage that lets Granules provide world-class quality products at a lower cost than its competitors. The adoption of the OE philosophy by Granules has earned it several recognitions including The Economic Times Manufacturing Excellence Awards 2011. Granules has recently been recognized as India's Most Admired Company in Exports & India's Most Admired Company in Bulk Drugs at the 5th Annual Pharmaceutical Business Leadership Awards. Additionally Granules has also received Outstanding Exports - Formulations Award 2011-12 from Pharmexcil.

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

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