



REGISTERED OFFICE

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

Tel: +91 40 30660000, Fax: +91 40 23115145, mail@granulesindia.com, www.granulesindia.com

CIN: L24110TG1991PLC012471

To

National Stock Exchange of India Limited &

Bombay Stock Exchange Limited.

Scrip Code: NSE- GRANULES; BSE-532482.

Date: 25th October 2016

Sub: Outcome of 174th Board meeting dated 25th October, 2016.

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, 2016 prepared under Indian Accounting Standards (Ind - AS);
2. Declared second interim dividend of 20 paise per share of face value of Re. 1/- each representing 20% of paid-up capital for the financial year 2016-17;
3. Fixed the record date as 5th November 2016 for the purpose of payment of second interim dividend for the financial year 2016-17.
4. Approved to set up a wholly-owned subsidiary in UK and to invest up to GBP 1,00,000 in the form of equity / loan.

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, 2016.

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 10.00 A.M and concluded at 1.00 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



LIMITED REVIEW REPORT

Review Report to
The Board of Directors of Granules India Limited

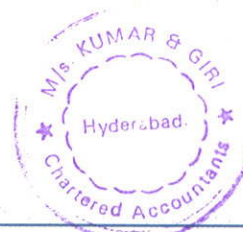
We have reviewed the accompanying statement of Unaudited Consolidated Financial Results of Granules India Limited ("the Holding Company") and its subsidiaries and Joint Ventures (collectively referred to as the "the Group") for the quarter and Six months ended September 30, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

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 Holding Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

The Statement includes the results of the following entities:

<u>Sl. No.</u>	<u>Name of the Entity</u>	<u>Relationship</u>
1.	Granules USA, Inc.	Wholly owned Subsidiary
2	GIL Life Sciences Private Limited	Wholly owned Subsidiary
3	Granules Pharmaceutical, Inc.	Wholly owned Subsidiary
4	Granules-Biocause Pharmaceutical Co. Ltd	Joint Venture
5	Granules Omnicem Private Limited	Joint Venture

We did not review the interim financial information of subsidiaries excepting GIL Life Sciences Private Limited (Subsidiary of the Holding Company), whose interim financial statements / interim financial information reflect total assets of Rs. 27,046.02 lakhs as at September 30, 2016, total revenues of Rs.9,633.07 lakhs and Rs.17,962.65 lakhs for the Quarter and Six Months ended September 30, 2016, respectively, and total profit after tax of Rs. 19.38 lakhs and Rs.109.02 lakhs for the Quarter and Six Months ended September 30, 2016, respectively, as considered in the unaudited consolidated financial results. The unaudited consolidated financial results also includes the Group's share of profit after tax of Rs. 510.05 lakhs and Rs. 1218.75 lakhs for the Quarter and Six

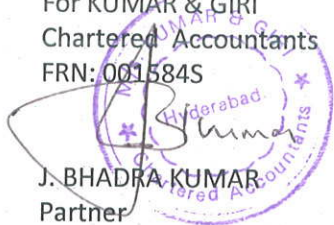




Months ended September 30, 2016, respectively, as considered in the unaudited consolidated financial results in respect of two Joint Ventures whose interim financial information have not been reviewed by us. These financial results have been furnished to us by the Management and our report on the statement, in so far as it relates to the amounts and disclosures included in respect of the above subsidiaries and joint ventures, is based solely on the Management's Statement.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited Consolidated Financial Results, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For KUMAR & GIRI
Chartered Accountants
FRN: 001584S


J. BHADRA KUMAR
Partner
Membership No. 025480.

Place: Hyderabad.

Date: October 25, 2016



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 and half year ended September 30, 2016

Sl No.	Particulars	Quarter ended			Half year ended	
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited
1	Income from Operations					
	(a) Net sales / Income from Operations (Inclusive of Excise Duty)	36,356.56	34,957.27	35,269.15	71,313.83	68,172.14
	(b) Other operating income	24.05	22.77	21.41	46.82	42.12
	Total Income from operations (net)	36,380.61	34,980.04	35,290.56	71,360.65	68,214.26
2	Expenses					
	(a) Cost of material Consumed	16,916.81	18,191.55	20,581.19	35,108.36	39,787.87
	(b) Changes in Inventories of Finished goods, Work in process and Stock-in-trade	1,825.16	(123.16)	(834.67)	1,702.00	(2,078.48)
	(c) Employee Benefits Expense	3,397.82	3,390.01	2,851.67	6,787.83	5,715.58
	(d) Depreciation and Amortisation expense	1,846.99	1,634.29	1,440.49	3,481.28	2,835.17
	(e) Manufacturing Expenses	2,559.51	2,268.60	2,158.19	4,828.11	4,337.73
	(f) Freight outward & clearing charges	1,207.04	1,103.68	1,189.20	2,310.72	2,371.05
	(g) R & D Expenses	650.78	704.14	300.58	1,354.92	725.85
	(h) Other expenses	2,403.07	2,595.14	2,196.44	4,998.21	4,241.06
	Total expenses	30,807.18	29,764.25	29,883.09	60,571.43	57,935.83
3	Profit from operations before other Income, finance costs and exceptional Items (1- 2)	5,573.43	5,215.79	5,407.47	10,789.22	10,278.43
4	Other Income	388.29	303.48	96.58	691.77	235.30
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	5,961.72	5,519.27	5,504.05	11,480.99	10,513.73
6	Finance Costs	828.71	794.48	880.39	1,623.19	1,688.08
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	5,133.01	4,724.79	4,623.66	9,857.80	8,825.65
8	Exceptional items	-	-	-	-	-
9	Profit from ordinary activities before Tax (7 + 8)	5,133.01	4,724.79	4,623.66	9,857.80	8,825.65
10	Tax expense	1,560.64	1,537.48	1,436.29	3,098.12	2,765.57
11	Net Profit from ordinary activities after tax (9 - 10)	3,572.37	3,187.31	3,187.37	6,759.68	6,060.08
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit for the period (11 + 12)	3,572.37	3,187.31	3,187.37	6,759.68	6,060.08
14	Share of Profit of equity accounted investees, net of tax	510.05	708.70	40.11	1,218.75	20.95
15	Net Profit / (Loss) after taxes and share of profit / (loss) of associates (13 + 14)	4,082.42	3,896.01	3,227.48	7,978.43	6,081.03
16	Other Comprehensive Income	(14.49)	100.88	(199.86)	86.39	(305.99)
17	Total Comprehensive income/(loss) for the period (15+16)	4,067.93	3,996.89	3,027.62	8,064.82	5,775.04
18	Paid-up equity Share Capital (Face Value of Re.1/- per share)	2,171.62	2,169.92	2,051.74	2,171.62	2,051.74
19	Earnings per Share (face value of Re. 1/- each) (not annualised)					
	(a) Basic (in Rs.)	1.88	1.80	1.58	3.68	2.97
	(b) Diluted (in Rs)	1.85	1.75	1.56	3.62	2.94



- 1 The company adopted Indian Accounting Standards ("Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting pronouncements generally accepted in India. The date of transition to Ind AS is April 01, 2015. The impact of transition has been accounted for in opening reserves and the comparative periods have been restated accordingly.
- 2 The Ind AS compliant Consolidated Financial Results for the corresponding quarter ended September 30, 2015 have been stated in terms of SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 3 Reconciliation of net profit for the corresponding quarter ended September 30, 2015 between previous Indian GAAP and Ind AS is as under:

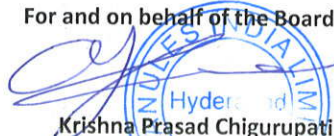
Nature of Adjustments	Rs. Lakhs
	Quarter ended Sep 30, 2015
Profit as per erstwhile Indian GAAP	3,097.71
Difference in measurement of employee share based payments	(19.84)
Unamortised expense adjusted against opening retained earnings	30.59
Exchange differences on translation of foreign operations recognised in Other Comprehensive Income.	199.86
Deferred tax adjustments	(80.84)
Net Profit Under Ind AS	3,227.48
Other comprehensive income as stated above	(199.86)
Total Comprehensive Income	3,027.62

- 4 The above unaudited financial results for the quarter ended September 30, 2016 have been reviewed by the Audit Committee of the Board on October 24, 2016 and approved by the Board of Directors at its meeting held on October 25, 2016.
- 5 The Auditors of the Company carried out limited review of the financial results for the quarter ended September 30, 2016.
- 6 The subsidiaries and Joint Venture companies considered for the consolidated financial statements as on September 30, 2016 are Granules USA Inc., GIL Life Sciences Pvt Ltd, Granules Pharmaceuticals Inc., (Subsidiaries) and Granules Biocause Pharmaceutical Co., Ltd., Granules Omnicem Pvt Ltd (50% Joint Venture Companies).
- 7 The company has adopted the option under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has continued the policy adopted for accounting of exchange differences arising from translation of long term foreign currency monetary items in so far as it relates to acquisition of depreciable assets are adjusted to the cost of the assets 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, foreign currency gain of Rs.203.24 lakhs (foreign currency loss of Rs.423.68 lakhs for the Quarter ended September 30, 2015) was transferred to fixed assets.
- 8 As per regulation 33 of the Listing Regulations, 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).
- 9 The Company operates only in the segment of Pharmaceuticals.
- 10 During the quarter, the Company has allotted 1,70,000 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).
- 11 The Board of Directors at their meeting held on October 25, 2016 has declared an interim dividend of 20 paise per equity share of Re.1 each.
- 12 Standalone Results as on September 30, 2016 are as under -

Particulars	Rs in lakhs			Half year ended	
	Quarter ended				
	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited
Net sales / Income from Operations (Inclusive of Excise Duty)	34,122.25	34,333.16	33,956.16	68,455.41	67,112.84
Profit Before Tax	4,793.30	5,195.45	4,045.10	9,988.75	8,441.47
Profit After Tax	3,349.71	3,559.46	2,679.06	6,909.17	5,713.88

- 13 Previous periods figures have been regrouped, wherever necessary.

For and on behalf of the Board


Hyderabad
Krishna Prasad Chigurupati
Chairman & Managing Director

GRANULES INDIA LIMITED
Consolidated Statement of Assets & Liabilities

		(Rs in Lakhs)
S.No.	Particulars	As at 30.09.2016 Un-Audited
A	ASSETS	
	Non-current assets	
	Property, plant and equipment	47,386.02
	Capital work in progress	20,199.64
	Intangible assets	7,961.25
	Financial assets	
	Investments	9,442.06
	Other Financial assets	721.08
	Other non-current assets	3,195.20
	Total Non-current Assets	88,905.25
	Current assets	
	Inventories	23,326.31
	Financial assets	
	Loans	152.01
	Trade receivables	37,936.21
	Cash and cash equivalent	3,501.98
	Other Financial assets	10.04
	Other current assets	7,557.52
	Total Current Assets	72,484.07
	Total Assets	1,61,389.32
B	Equity and liabilities	
	Equity	
	Equity Share Capital	2,171.62
	Other Equity	71,066.25
	Total equity	73,237.87
	Non-current liabilities	
	Financial Liabilities	
	Borrowings	15,234.85
	Provisions	699.02
	Deferred tax liabilities (net)	5,256.41
	Total Non-current liabilities	21,190.28
	Current liabilities	
	Financial Liabilities	
	Borrowings	40,495.25
	Trade payables	16,177.29
	Other current financial liabilities	8,787.20
	Other current liabilities	967.91
	Current Tax liabilities (net)	333.96
	Provisions	199.56
	Total liabilities	66,961.17
	Total equity and liabilities	1,61,389.32

for and on behalf of the Board

Place : Hyderabad
Date : October 25, 2016

Krishna Prasad Chigurupati
Chairman & Managing Director





LIMITED REVIEW REPORT

Review Report to
The Board of Directors of Granules India Limited

We have reviewed the accompanying Statement of unaudited Standalone Financial Results of Granules India Limited ("the Company") for the quarter and Six months ended September 30, 2016 ('the Statement'), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016. 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 the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

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 provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited Standalone Financial Results, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For KUMAR & GIRI
Chartered Accountants
FRN: 001584S


J. BHADRA KUMAR
Partner
Membership No. 025480.

Place: Hyderabad.
Date: October 25, 2016



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

Rs in lakhs

Statement of Standalone Un-Audited Results for the quarter and half year ended September 30, 2016

SI No.	Particulars	Quarter ended			Half Year Ended	
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited
1	Income from Operations					
	(a) Net sales / Income from Operations (Inclusive of Excise Duty)	34,122.25	34,333.16	33,956.16	68,455.41	67,112.84
	(b) Other operating income	24.05	22.77	21.41	46.82	42.12
	Total Income from operations (net)	34,146.30	34,355.93	33,977.57	68,502.23	67,154.96
2	Expenses					
	(a) Cost of material Consumed	16,802.07	17,793.63	20,316.33	34,595.70	39,403.04
	(b) Changes in Inventories of Finished goods, Work in process and Stock-in-trade	817.41	298.89	(587.55)	1,116.30	(1,191.30)
	(c) Employee Benefits Expense	3,047.08	3,033.03	2,587.09	6,080.11	5,182.37
	(d) Depreciation and Amortisation expense	1,842.97	1,630.53	1,437.12	3,473.50	2,828.18
	(e) Manufacturing Expenses	2,538.74	2,268.60	2,136.70	4,807.34	4,316.24
	(f) Freight outward & clearing charges	1,115.96	1,024.24	1,099.99	2,140.20	2,262.14
	(g) R & D Expenses	642.60	704.14	302.72	1,346.74	725.85
	(h) Other expenses	2,073.00	2,134.30	1,873.93	4,207.30	3,755.34
	Total expenses	28,879.83	28,887.36	29,166.33	57,767.19	57,281.86
3	Profit from operations before other Income, finance costs and exceptional items (1- 2)	5,266.47	5,468.57	4,811.24	10,735.04	9,873.10
4	Other Income	348.29	524.32	113.68	872.61	255.55
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	5,614.76	5,992.89	4,924.92	11,607.65	10,128.65
6	Finance Costs	821.46	797.44	879.82	1,618.90	1,687.18
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	4,793.30	5,195.45	4,045.10	9,988.75	8,441.47
8	Exceptional items	-	-	-	-	-
9	Profit from ordinary activities before Tax (7 + 8)	4,793.30	5,195.45	4,045.10	9,988.75	8,441.47
10	Tax expense	1,443.59	1,635.99	1,366.04	3,079.58	2,727.59
11	Net Profit from ordinary activities after tax (9 - 10)	3,349.71	3,559.46	2,679.06	6,909.17	5,713.88
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit for the period (11 + 12)	3,349.71	3,559.46	2,679.06	6,909.17	5,713.88
14	Other Comprehensive income	-	-	-	-	-
15	Total Comprehensive income/(loss) for the period (13+14)	3,349.71	3,559.46	2,679.06	6,909.17	5,713.88
16	Paid-up equity Share Capital (Face Value of Re.1/- per share)	2,171.62	2,169.92	2,051.74	2,171.62	2,051.74
17	Earnings per Share (Face value Re. 1/- each) (not Annualised)					
	(a) Basic (in Rs.)	1.54	1.64	1.31	3.18	2.79
	(b) Diluted (in Rs)	1.52	1.60	1.30	3.12	2.77



- 1 The company adopted Indian Accounting Standards ("Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting pronouncements generally accepted in India. The date of transition to Ind AS is April 01, 2015. The impact of transition has been accounted for in opening reserves and the comparative periods have been restated accordingly.
- 2 The Ind AS compliant Standalone Financial Results for the corresponding quarter ended September 30, 2015 have been stated in terms of SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 3 Reconciliation of net profit for the corresponding quarter ended September 30, 2015 between previous Indian GAAP and Ind AS is as under:

Nature of Adjustments	Rs. Lakhs
	Quarter ended Sep 30, 2015
Profit as per erstwhile Indian GAAP	2,678.90
Difference in measurement of employee share based payments	(19.84)
Unamortised expense adjusted against opening retained earnings	30.59
Deferred tax adjustments	(10.59)
Net Profit Under Ind AS	2,679.06

- 4 The above unaudited financial results for the quarter ended September 30, 2016 have been reviewed by the Audit Committee of the Board on October 24, 2016 and approved by the Board of Directors at its meeting held on October 25, 2016.
- 5 The Auditors of the Company carried out limited review of the financial results for the quarter ended September 30, 2016.
- 6 The company has adopted the option under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has continued the policy adopted for accounting of exchange differences arising from translation of long term foreign currency monetary items in so far as it relates to acquisition of depreciable assets are adjusted to the cost of the assets 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, foreign currency gain of Rs.203.24 lakhs (foreign currency loss of Rs.423.68lakhs for the Quarter ended September 30, 2015) was transferred to fixed assets.
- 7 As per regulation 33 of the Listing Regulations, 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).
- 8 The Company operates only in the segment of Pharmaceuticals.
- 9 During the quarter, the Company has allotted 1,70,000 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 October 25, 2016 has declared an interim dividend of 20 paise per equity share of Re.1 each.
- 11 Previous periods figures have been regrouped, wherever necessary.

Place : Hyderabad
Date : October 25, 2016

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

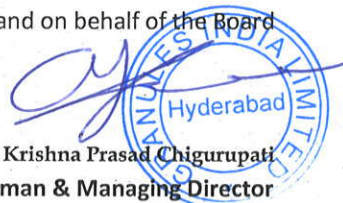
GRANULES INDIA LIMITED

Standalone Statement of Assets & Liabilities

(Rs in Lakhs)

S.No.	Particulars	As at 30.09.2016 Un-Audited
A	ASSETS	
	Non-current assets	
	Property, plant and equipment	43,700.00
	Capital work in progress	9,276.83
	Intangible assets	7,890.92
	Financial assets	
	Investments	8,894.56
	Loans	14,105.05
	Other Financial assets	721.08
	Other non-current assets	2,844.20
	Total Non-current Assets	87,432.64
	Current assets	
	Inventories	19,596.65
	Financial assets	
	Loans	131.13
	Trade receivables	43,413.59
	Cash and cash equivalent	2,758.04
	Other Financial assets	10.04
	Other current assets	7,097.33
	Total Current Assets	73,006.78
	Total Assets	1,60,439.42
B	Equity and liabilities	
	Equity	
	Equity Share Capital	2,171.62
	Other Equity	70,299.34
	Total equity	72,470.96
	Non-current liabilities	
	Financial Liabilities	
	Borrowings	15,234.85
	Other financial liabilities	
	Provisions	699.02
	Deferred tax liabilities (net)	6,046.48
	Total Non-current liabilities	21,980.35
	Current liabilities	
	Financial Liabilities	
	Borrowings	40,495.25
	Trade payables	15,480.07
	Other financial liabilities	8,661.19
	Other current liabilities	964.25
	Current Tax liabilities (net)	187.79
	Provisions	199.56
	Total liabilities	65,988.11
	Total equity and liabilities	1,60,439.42

for and on behalf of the Board



Krishna Prasad Chigurupati
Chairman & Managing Director

Place : Hyderabad

Date : October 25, 2016

Press Release

Granules India's Net Profit surges by 26% to Rs. 41 Cr.

Hyderabad, October 25, 2016: Granules India Ltd., a fast growing pharmaceutical manufacturing company, announced today financial results for its second quarter ended 30th September, 2016.

Consolidated Q2FY17 Financial Results Highlights:-

- **Revenue:** Rs. 364 Cr., an increase of 3% compared to Rs. 353 Cr. in Q2FY16
- **EBITDA:** Rs. 78 Cr., an increase of 12% compared to Rs. 69 Cr. in Q2FY16
- **Operating Margin** improved by 179 basis point to 21.5% from 19.7% in Q2FY16
- **Net Profit:** Rs. 41 Cr., an increase of 26% compared to Rs. 32 Cr. in Q2FY16
- **Net Profit Margin** improved by 208 basis point to 11.2% from 9.1% in Q2FY16

The Company's standalone sales during the quarter were Rs. 341 Cr. In this quarter the Company recorded EBITDA and PAT of Rs. 75 Cr. and Rs. 33 Cr. respectively.

The Company's Board of Directors has approved interim dividend of 20 paise per share of face value of Rs. 1 each.

"We are focused to achieve our long term goals as we move ahead in the investment phase. Our API and PFI capacity enhancements within our base business and Greenfield API facility in Vizag are both on track. In addition, our product development and subsequent filling continues to make steady progress. During the quarter, the U.S. FDA approved our ANDA for Ibuprofen 200 mg orange tablets which enhances our product portfolio. We are also happy to see an increasing share of revenue coming from our formulation division which focuses on the U.S., European and Canadian markets." said Mr. Krishna Prasad Chigurupati, Chairman & Managing Director.



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.

Contacts:

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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 and half year ended September 30, 2016						
Sl No.	Particulars	Quarter ended			Half year ended	
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited
1	Income from Operations					
	(a) Net sales / Income from Operations (Inclusive of Excise Duty)	36,356.56	34,957.27	35,269.15	71,313.83	68,172.14
	(b) Other operating income	24.05	22.77	21.41	46.82	42.12
	Total Income from operations (net)	36,380.61	34,980.04	35,290.56	71,360.65	68,214.26
2	Expenses					
	(a) Cost of material Consumed	16,916.81	18,191.55	20,581.19	35,108.36	39,787.87
	(b) Changes in Inventories of Finished goods, Work in process and Stock-in-trade	1,825.16	(123.16)	(834.67)	1,702.00	(2,078.48)
	(c) Employee Benefits Expense	3,397.82	3,390.01	2,851.67	6,787.83	5,715.58
	(d) Depreciation and Amortisation expense	1,846.99	1,634.29	1,440.49	3,481.28	2,835.17
	(e) Manufacturing Expenses	2,559.51	2,268.60	2,158.19	4,828.11	4,337.73
	(f) Freight outward & clearing charges	1,207.04	1,103.68	1,189.20	2,310.72	2,371.05
	(g) R & D Expenses	650.78	704.14	300.58	1,354.92	725.85
	(h) Other expenses	2,403.07	2,595.14	2,196.44	4,998.21	4,241.06
	Total expenses	30,807.18	29,764.25	29,883.09	60,571.43	57,935.83
3	Profit from operations before other Income, finance costs and exceptional items (1- 2)	5,573.43	5,215.79	5,407.47	10,789.22	10,278.43
4	Other Income	388.29	303.48	96.58	691.77	235.30
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	5,961.72	5,519.27	5,504.05	11,480.99	10,513.73
6	Finance Costs	828.71	794.48	880.39	1,623.19	1,688.08
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	5,133.01	4,724.79	4,623.66	9,857.80	8,825.65
8	Exceptional items	-	-	-	-	-
9	Profit from ordinary activities before Tax (7 + 8)	5,133.01	4,724.79	4,623.66	9,857.80	8,825.65
10	Tax expense	1,560.64	1,537.48	1,436.29	3,098.12	2,765.57
11	Net Profit from ordinary activities after tax (9 - 10)	3,572.37	3,187.31	3,187.37	6,759.68	6,060.08
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit for the period (11 + 12)	3,572.37	3,187.31	3,187.37	6,759.68	6,060.08
14	Share of Profit of equity accounted investees, net of tax	510.05	708.70	40.11	1,218.75	20.95
15	Net Profit / (Loss) after taxes and share of profit / (loss) of associates (13 + 14)	4,082.42	3,896.01	3,227.48	7,978.43	6,081.03
16	Other Comprehensive Income	(14.49)	100.88	(199.86)	86.39	(305.99)
17	Total Comprehensive income/(loss) for the period (15+16)	4,067.93	3,996.89	3,027.62	8,064.82	5,775.04
18	Paid-up equity Share Capital (Face Value of Re.1/- per share)	2,171.62	2,169.92	2,051.74	2,171.62	2,051.74
19	Earnings per Share (face value of Re. 1/- each) (not annualised)					
	(a) Basic (in Rs.)	1.88	1.80	1.58	3.68	2.97
	(b) Diluted (in Rs)	1.85	1.75	1.56	3.62	2.94

- The company adopted Indian Accounting Standards ("Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting pronouncements generally accepted in India. The date of transition to Ind AS is April 01, 2015. The impact of transition has been accounted for in opening reserves and the comparative periods have been restated accordingly.
- The Ind AS compliant Consolidated Financial Results for the corresponding quarter ended September 30, 2015 have been stated in terms of SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.
- Reconciliation of net profit for the corresponding quarter ended September 30, 2015 between previous Indian GAAP and Ind AS is as under:

Nature of Adjustments	Rs. Lakhs
	Quarter ended Sep 30, 2015
Profit as per erstwhile Indian GAAP	3,097.71
Difference in measurement of employee share based payments	(19.84)
Unamortised expense adjusted against opening retained earnings	30.59
Exchange differences on translation of foreign operations recognised in Other Comprehensive Income.	199.86
Deferred tax adjustments	(80.84)
Net Profit Under Ind AS	3,227.48
Other comprehensive income as stated above	(199.86)
Total Comprehensive Income	3,027.62

- The above unaudited financial results for the quarter ended September 30, 2016 have been reviewed by the Audit Committee of the Board on October 24, 2016 and approved by the Board of Directors at its meeting held on October 25, 2016.
- The Auditors of the Company carried out limited review of the financial results for the quarter ended September 30, 2016.
- The subsidiaries and Joint Venture companies considered for the consolidated financial statements as on September 30, 2016 are Granules USA Inc., GIL Life Sciences Pvt Ltd, Granules Pharmaceuticals Inc., (Subsidiaries) and Granules Biocause Pharmaceutical Co., Ltd., Granules Omnicheem Pvt Ltd (50% Joint Venture Companies).
- The company has adopted the option under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has continued the policy adopted for accounting of exchange differences arising from translation of long term foreign currency monetary items in so far as it relates to acquisition of depreciable assets are adjusted to the cost of the assets 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, foreign currency gain of Rs.203.24 lakhs (foreign currency loss of Rs.423.68 lakhs for the Quarter ended September 30, 2015) was transferred to fixed assets. ☐
- As per regulation 33 of the Listing Regulations, 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.
- During the quarter, the Company has allotted 1,70,000 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).
- The Board of Directors at their meeting held on October 25, 2016 has declared an interim dividend of 20 paise per equity share of Re.1 each.
- Standalone Results as on September 30, 2016 are as under -

Particulars	Rs in lakhs			Half year ended	
	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited
Net sales / Income from Operations (Inclusive of Excise Duty)	34,122.25	34,333.16	33,956.16	68,455.41	67,112.84
Profit Before Tax	4,793.30	5,195.45	4,045.10	9,988.75	8,441.47
Profit After Tax	3,349.71	3,559.46	2,679.06	6,909.17	5,713.88

- Previous periods figures have been regrouped, wherever necessary.

For and on behalf of the Board

Place : Hyderabad
Date : October 25, 2016

Krishna Prasad Chigurupati
Chairman & Managing Director



GRANULES INDIA LIMITED
Consolidated Statement of Assets & Liabilities

		(Rs in Lakhs)
S.No.	Particulars	As at 30.09.2016 Un-Audited
A	ASSETS	
	Non-current assets	
	Property, plant and equipment	47,386.02
	Capital work in progress	20,199.64
	Intangible assets	7,961.25
	Financial assets	
	Investments	9,442.06
	Other Financial assets	721.08
	Other non-current assets	3,195.20
	Total Non-current Assets	88,905.25
	Current assets	
	Inventories	23,326.31
	Financial assets	
	Loans	152.01
	Trade receivables	37,936.21
	Cash and cash equivalent	3,501.98
	Other Financial assets	10.04
	Other current assets	7,557.52
	Total Current Assets	72,484.07
	Total Assets	1,61,389.32
B	Equity and liabilities	
	Equity	
	Equity Share Capital	2,171.62
	Other Equity	71,066.25
	Total equity	73,237.87
	Non-current liabilities	
	Financial Liabilities	
	Borrowings	15,234.85
	Provisions	699.02
	Deferred tax liabilities (net)	5,256.41
	Total Non-current liabilities	21,190.28
	Current liabilities	
	Financial Liabilities	
	Borrowings	40,495.25
	Trade payables	16,177.29
	Other current financial liabilities	8,787.20
	Other current liabilities	967.91
	Current Tax liabilities (net)	333.96
	Provisions	199.56
	Total liabilities	66,961.17
	Total equity and liabilities	1,61,389.32

for and on behalf of the Board

Place : Hyderabad
Date : October 25, 2016

Krishna Prasad Chigurupati
Chairman & Managing Director



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

Rs in lakhs						
Statement of Standalone Un-Audited Results for the quarter and half year ended September 30, 2016						
Sl No.	Particulars	Quarter ended			Half Year Ended	
		30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited
1	Income from Operations					
	(a) Net sales / Income from Operations (Inclusive of Excise Duty)	34,122.25	34,333.16	33,956.16	68,455.41	67,112.84
	(b) Other operating income	24.05	22.77	21.41	46.82	42.12
	Total Income from operations (net)	34,146.30	34,355.93	33,977.57	68,502.23	67,154.96
2	Expenses					
	(a) Cost of material Consumed	16,802.07	17,793.63	20,316.33	34,595.70	39,403.04
	(b) Changes in Inventories of Finished goods, Work in process and Stock-in-trade	817.41	298.89	(587.55)	1,116.30	(1,191.30)
	(c) Employee Benefits Expense	3,047.08	3,033.03	2,587.09	6,080.11	5,182.37
	(d) Depreciation and Amortisation expense	1,842.97	1,630.53	1,437.12	3,473.50	2,828.18
	(e) Manufacturing Expenses	2,538.74	2,268.60	2,136.70	4,807.34	4,316.24
	(f) Freight outward & clearing charges	1,115.96	1,024.24	1,099.99	2,140.20	2,262.14
	(g) R & D Expenses	642.60	704.14	302.72	1,346.74	725.85
	(h) Other expenses	2,073.00	2,134.30	1,873.93	4,207.30	3,755.34
	Total expenses	28,879.83	28,887.36	29,166.33	57,767.19	57,281.86
3	Profit from operations before other Income, finance costs and exceptional Items (1- 2)	5,266.47	5,468.57	4,811.24	10,735.04	9,873.10
4	Other Income	348.29	524.32	113.68	872.61	255.55
5	Profit from ordinary activities before finance costs and exceptional items (3 + 4)	5,614.76	5,992.89	4,924.92	11,607.65	10,128.65
6	Finance Costs	821.46	797.44	879.82	1,618.90	1,687.18
7	Profit from ordinary activities after finance costs but before exceptional items (5 - 6)	4,793.30	5,195.45	4,045.10	9,988.75	8,441.47
8	Exceptional items	-	-	-	-	-
9	Profit from ordinary activities before Tax (7 + 8)	4,793.30	5,195.45	4,045.10	9,988.75	8,441.47
10	Tax expense	1,443.59	1,635.99	1,366.04	3,079.58	2,727.59
11	Net Profit from ordinary activities after tax (9 - 10)	3,349.71	3,559.46	2,679.06	6,909.17	5,713.88
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit for the period (11 + 12)	3,349.71	3,559.46	2,679.06	6,909.17	5,713.88
14	Other Comprehensive income	-	-	-	-	-
15	Total Comprehensive income/(loss) for the period (13+14)	3,349.71	3,559.46	2,679.06	6,909.17	5,713.88
16	Paid-up equity Share Capital (Face Value of Re.1/- per share)	2,171.62	2,169.92	2,051.74	2,171.62	2,051.74
17	Earnings per Share (Face value Re. 1/- each) (not Annualised)					
	(a) Basic (in Rs.)	1.54	1.64	1.31	3.18	2.79
	(b) Diluted (in Rs)	1.52	1.60	1.30	3.12	2.77

- 1 The company adopted Indian Accounting Standards ("Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting pronouncements generally accepted in India. The date of transition to Ind AS is April 01, 2015. The impact of transition has been accounted for in opening reserves and the comparative periods have been restated accordingly.
- 2 The Ind AS compliant Standalone Financial Results for the corresponding quarter ended September 30, 2015 have been stated in terms of SEBI Circular CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 3 Reconciliation of net profit for the corresponding quarter ended September 30, 2015 between previous Indian GAAP and Ind AS is as under:

Nature of Adjustments	Rs. Lakhs
	Quarter ended Sep 30, 2015
Profit as per erstwhile Indian GAAP	2,678.90
Difference in measurement of employee share based payments	(19.84)
Unamortised expense adjusted against opening retained earnings	30.59
Deferred tax adjustments	(10.59)
Net Profit Under Ind AS	2,679.06

- 4 The above unaudited financial results for the quarter ended September 30, 2016 have been reviewed by the Audit Committee of the Board on October 24, 2016 and approved by the Board of Directors at its meeting held on October 25, 2016.
- 5 The Auditors of the Company carried out limited review of the financial results for the quarter ended September 30, 2016.
- 6 The company has adopted the option under Ind AS 101 "First-time Adoption of Indian Accounting Standards" and has continued the policy adopted for accounting of exchange differences arising from translation of long term foreign currency monetary items in so far as it relates to acquisition of depreciable assets are adjusted to the cost of the assets 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.
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- 8 The Company operates only in the segment of Pharmaceuticals.
- 9 During the quarter, the Company has allotted 1,70,000 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 October 25, 2016 has declared an interim dividend of 20 paise per equity share of Re.1 each.
- 11 Previous periods figures have been regrouped, wherever necessary.

for and on behalf of the Board

Place : Hyderabad
Date : October 25, 2016

Krishna Prasad Chigurupati
Chairman and Managing Director



GRANULES INDIA LIMITED
Standalone Statement of Assets & Liabilities

(Rs in Lakhs)

S.No.	Particulars	As at 30.09.2016 Un-Audited
A	ASSETS	
	Non-current assets	
	Property, plant and equipment	43,700.00
	Capital work in progress	9,276.83
	Intangible assets	7,890.92
	Financial assets	
	Investments	8,894.56
	Loans	14,105.05
	Other Financial assets	721.08
	Other non-current assets	2,844.20
	Total Non-current Assets	87,432.64
	Current assets	
	Inventories	19,596.65
	Financial assets	
	Loans	131.13
	Trade receivables	43,413.59
	Cash and cash equivalent	2,758.04
	Other Financial assets	10.04
	Other current assets	7,097.33
	Total Current Assets	73,006.78
	Total Assets	1,60,439.42
B	Equity and liabilities	
	Equity	
	Equity Share Capital	2,171.62
	Other Equity	70,299.34
	Total equity	72,470.96
	Non-current liabilities	
	Financial Liabilities	
	Borrowings	15,234.85
	Other financial liabilities	
	Provisions	699.02
	Deferred tax liabilities (net)	6,046.48
	Total Non-current liabilities	21,980.35
	Current liabilities	
	Financial Liabilities	
	Borrowings	40,495.25
	Trade payables	15,480.07
	Other financial liabilities	8,661.19
	Other current liabilities	964.25
	Current Tax liabilities (net)	187.79
	Provisions	199.56
	Total liabilities	65,988.11
	Total equity and liabilities	1,60,439.42

for and on behalf of the Board

Place : Hyderabad
Date : October 25, 2016

Krishna Prasad Chigurupati
Chairman & Managing Director