



**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

**Date: 21st January 2020**

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

**Sub: Outcome of 197<sup>th</sup> Board meeting dated 21st January 2020.**  
**Ref: Regulation 30 and 33 of the Listing Regulations.**

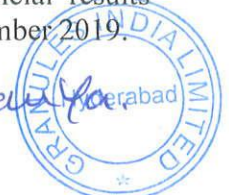
Dear Sir,

The Board of Directors at their meeting has -

1. Approved the Un-Audited financial results (Standalone & Consolidated) for the third quarter ended 31<sup>st</sup> December 2019 prepared under Indian Accounting Standards (Ind - AS);
2. Declared third 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 31<sup>st</sup> January 2020 for the purpose of payment of third interim dividend for the financial year 2019-20.
4. Subject to approval of the Members of the Company, approved a proposal to Buy-back up to 1,25,00,000 (One crore twenty five lakhs only) equity shares of the Company for an aggregate amount not exceeding Rs. 250 crores (Two hundred and fifty crores only) (the "Buyback Size"), being 4.92% of the total paid-up equity share capital, at Rs.200/- (Rupees two hundred only) per equity share (the "Buyback"). The Buyback is proposed to be made from all existing shareholders of the Company as on the record date on a proportionate basis under the tender offer route in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (the "Buyback Regulations"). The Buyback Size does not include transaction costs viz. brokerage, applicable taxes such as securities transaction tax, GST, stamp duty, any expenses incurred or to be incurred for the Buyback like filing fees payable to the Securities and Exchange Board of India, advisors/ legal fees, public announcement publication expenses, printing and dispatch expenses and other incidental and related expenses.

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 third quarter ended 31<sup>st</sup> December 2019.

*G. Chaitanya*



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 Board has decided to seek the approval of the Members of the Company by way of Postal Ballot in respect of item 4 above.

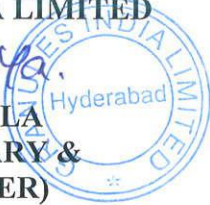
The meeting of the Board of Directors of the Company commenced at 10.30 A.M and concluded at 1.00 P.M.

Request you to take the above information on record.

Thanking You.  
Yours faithfully,

**For GRANULES INDIA LIMITED**

*Chaitanya Tummala*  
**CHAITANYA TUMMALA**  
**(COMPANY SECRETARY &**  
**COMPLIANCE OFFICER)**



Encl: As above

# B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City  
Orwell, B Wing, 6th Floor, Unit-3  
Sy. No. 83/1, Plot No. 2, Raidurg  
Hyderabad-500081, India.

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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 31 December 2019 and year to date results for the period from 01 April 2019 to 31 December 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 31 December 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-Biocauste Pharmaceutical Co. Ltd.	Associate
Granules Omnicem Private Limited	Joint venture

**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 the 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. 89,473.93 lakhs as at 31 December 2019 and total revenues of Rs. 17,107.49 lakhs and Rs. 46,333.58 lakhs, total net profit after tax of Rs. 579.87 lakhs and Rs. 1,748.68 lakhs and total comprehensive income of Rs. 864.72 lakhs and Rs. 2,774.90 lakhs, for the quarter ended 31 December 2019 and for the period from 01 April 2019 to 31 December 2019, respectively, 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 31 December 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.

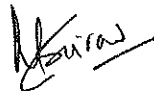


**Limited review report on unaudited quarterly consolidated financial results and consolidated year-to-date results under Regulation 33 of the Listing Regulations (continued)**

7. The Statement includes the interim financial information of one subsidiary which have not been reviewed, whose interim financial information reflect total assets of Rs. 57.74 lakhs as at 31 December 2019 and total revenue of Rs. Nil and Rs. Nil, total net loss after tax of Rs. 46.47 lakhs and Rs. 159.14 lakhs and total comprehensive loss of Rs. 92.34 lakhs and Rs. 183.56 lakhs for the quarter ended 31 December 2019 and for the period from 01 April 2019 to 31 December 2019, respectively, 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 31 December 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: 20049642AAAAAC6059

Place: Hyderabad  
Date: 21 January 2020



**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 nine months ended December 31, 2019**

Sl No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
	<b>Income</b>						
1	Revenue from operations	70,395.64	69,953.39	63,177.77	199,876.31	166,588.15	227,919.77
2	Other income	350.99	867.13	587.63	1,403.59	2,480.07	2,668.26
3	<b>Total income (1+2)</b>	<b>70,746.63</b>	<b>70,820.52</b>	<b>63,765.40</b>	<b>201,279.90</b>	<b>169,068.22</b>	<b>230,588.03</b>
	<b>Expenses</b>						
4	(a) Cost of materials consumed	34,687.96	34,801.79	33,767.79	102,076.94	98,134.82	133,897.31
	(b) Changes in inventories of work in progress and finished goods	17.42	1,137.30	2,147.45	(1,887.74)	(5,734.27)	(8,341.09)
	(c) Employee benefits expense	6,474.82	6,344.15	5,363.36	18,521.95	15,848.66	20,982.44
	(d) Finance costs	672.84	685.49	747.53	2,045.32	2,161.50	2,846.07
	(e) Depreciation and amortisation expense	3,899.44	3,031.94	2,700.91	9,798.35	7,806.50	10,548.34
	(f) Other expenses	12,900.65	13,309.90	10,568.96	38,628.09	29,695.86	42,977.34
	<b>Total expenses</b>	<b>58,653.13</b>	<b>59,310.57</b>	<b>55,296.00</b>	<b>169,182.91</b>	<b>147,913.07</b>	<b>202,910.41</b>
	<b>Profit before share of profit from joint venture &amp; associate, exceptional items and tax (3-4)</b>	<b>12,093.50</b>	<b>11,509.95</b>	<b>8,469.40</b>	<b>32,096.99</b>	<b>21,155.15</b>	<b>27,677.62</b>
5	Share of profit of joint venture and associate, net of tax	-	-	208.56	2,549.09	2,974.61	4,874.32
6	<b>Profit before exceptional items and tax (5+6)</b>	<b>12,093.50</b>	<b>11,509.95</b>	<b>8,677.96</b>	<b>34,646.08</b>	<b>24,129.76</b>	<b>32,551.94</b>
7	Exceptional items [refer note 9]	3,203.39	-	-	3,203.39	-	-
8	<b>Profit before tax (7-8)</b>	<b>8,890.11</b>	<b>11,509.95</b>	<b>8,677.96</b>	<b>31,442.69</b>	<b>24,129.76</b>	<b>32,551.94</b>
	<b>Tax expense</b>						
9	(a) Current tax	3,253.34	2,682.36	2,182.51	8,978.16	6,581.60	8,192.27
	(b) Deferred tax	(765.90)	(751.71)	463.89	(1,841.62)	310.98	718.82
	<b>Total tax expense</b>	<b>2,487.44</b>	<b>1,930.65</b>	<b>2,646.40</b>	<b>7,136.54</b>	<b>6,892.58</b>	<b>8,911.09</b>
10	<b>Profit for the period (9-10)</b>	<b>6,402.67</b>	<b>9,579.30</b>	<b>6,031.56</b>	<b>24,306.15</b>	<b>17,237.18</b>	<b>23,640.85</b>
	<b>Other comprehensive income (net of tax)</b>						
11	(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	(1,307.14)	1,871.13	630.40	(377.19)	986.40	2,099.81
	(ii) income tax on (i) above	305.78	(547.50)	(1,058.45)	(44.65)	(181.31)	(728.48)
	<b>Total other comprehensive income, net of tax</b>	<b>(1,001.36)</b>	<b>1,323.63</b>	<b>(428.05)</b>	<b>(421.84)</b>	<b>805.09</b>	<b>1,302.43</b>
12	<b>Total comprehensive income for the period (11+12)</b>	<b>5,401.31</b>	<b>10,902.93</b>	<b>5,603.51</b>	<b>23,884.31</b>	<b>18,042.27</b>	<b>24,943.28</b>
13	Paid-up equity share capital (Face Value of Rs.1/- per share)	2,542.48	2,542.48	2,542.48	2,542.48	2,542.48	2,542.48
14	Other equity						150,404.83
15	Earnings per share (Face value Rs. 1/- each) (not annualised)						
	(a) Basic (in Rs.)	2.52	3.77	2.37	9.56	6.78	9.30
	(b) Diluted (in Rs.)	2.51	3.76	2.36	9.53	6.77	9.28

- Notes:**
- The above consolidated unaudited financial results for the quarter and nine months ended December 31, 2019 have been reviewed by the Audit Committee on January 21, 2020 and approved by the Board of Directors at their meeting held on January 21, 2020.
  - 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 nine months ended December 31, 2019.
  - The subsidiaries, joint venture and associate companies considered for the consolidated financial statements as on December 31, 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 Omnicem 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 nine months ended December 31, 2019 and remeasured its deferred tax liabilities basis the rates prescribed in the said section.
  - Granules India Limited (the holding company) has during the period ended December 31, 2019, entered into a definitive agreement for divestment of its stake in its joint venture Granules Omnicem Private Limited for an agreed consideration of Rs. 10,985.24 lakhs. The sale will be concluded once the required regulatory approvals are received, pending which the investment is carried at the carrying value of investment in Granules Omnicem Private Limited of Rs. 5,007.94 lakhs.
  - Granules India Limited (the holding company) has during the quarter ended December 31, 2019, entered into definitive agreement for divestment of its stake in Granules-Biocause Pharmaceutical Co. Ltd. having a carrying value of Rs. 14,364.99 lakhs for an agreed consideration of Rs. 11,161.60 lakhs. Pending final disposal, the investment is recorded at the lower of the carrying value and fair value in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations". The impairment loss arising on the investment held for sale of Rs. 3,203.39 lakhs has been recorded in the consolidated results for the quarter and nine months period ended December 31, 2019 which is disclosed as an exceptional item.
  - The Board of Directors at their meeting held on January 21, 2020 has declared third interim dividend of 25 paise per equity share of Rs.1/- each.
  - The Board of Directors at their meeting held on January 21, 2020 approved a buyback proposal, subject to the approval of shareholders, for purchase by the company of up to equity shares of 1,25,00,000 of face value Re. 1 each (representing 4.92 % of total paid-up equity capital) from the shareholders of the company on a proportionate basis by way of a tender offer. The buyback price will be Rs. 200 per equity share payable in cash for an aggregate amount not exceeding Rs. 25,000 lakhs in accordance with the provisions of Companies Act, 2013 and the SEBI (Buy Back of Securities) Regulations, 2018. Additional information regarding the terms and conditions of the buyback will be disclosed in due course in accordance with Buyback Regulations.
  - 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	Quarter ended			Nine months ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
Revenue from Operations	61,644.41	63,876.64	58,115.35	182,305.84	153,743.59	209,843.26
Profit Before Tax	10,972.53	11,298.65	6,030.53	31,078.70	18,119.24	24,170.68
Profit After Tax	8,846.60	9,431.85	4,009.37	24,231.63	12,048.35	16,184.05

for and on behalf of the Board

Krishna Prasad Chigurupati  
 Chairman and Managing Director

Place : Hyderabad  
 Date : January 21, 2020



**FOR IDENTIFICATION ONLY**

# B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City  
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Hyderabad-500081, India.

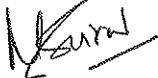
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## Limited review report on unaudited quarterly standalone financial results and standalone year-to-date results under Regulation 33 of the Listing Regulations

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 31 December 2019 and year to date results for the period from 01 April 2019 to 31 December 2019 ("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.: 116231 W/ W-100024



**Sriram Mahalingam**  
Partner  
Membership No.: 049642  
UDIN: 20049642AAAAAB1011

Place: Hyderabad  
Date: 21 January 2020



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 nine months ended December 31, 2019

SI No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		Un-Audited	Un-Audited	Un-Audited	Un-Audited	Un-Audited	Audited
	<b>Income</b>						
1	Revenue from operations	61,644.41	63,876.64	58,115.35	182,305.84	153,743.59	209,843.26
2	Other income	373.52	438.03	550.14	962.92	2,697.70	2,848.91
3	<b>Total income (1+2)</b>	<b>62,017.93</b>	<b>64,314.67</b>	<b>58,665.49</b>	<b>183,268.76</b>	<b>156,441.29</b>	<b>212,692.17</b>
	<b>Expenses</b>						
(a)	Cost of materials consumed	33,731.90	33,173.05	34,561.50	98,045.43	97,708.60	131,733.38
(b)	Changes in inventories of work in progress and finished goods	(470.06)	1,198.51	2,095.64	(119.53)	(5,677.50)	(6,701.53)
(c)	Employee benefits expense	4,696.40	4,688.97	4,153.30	13,962.22	12,438.73	16,699.57
(d)	Finance costs	668.82	669.91	744.29	2,018.75	2,155.78	2,836.02
(e)	Depreciation and amortisation expense	2,522.74	2,499.75	2,311.64	7,547.99	6,763.45	9,077.21
(f)	Other expenses	9,895.60	10,785.83	8,768.59	30,735.20	24,932.99	34,876.84
	<b>Total expenses</b>	<b>51,045.40</b>	<b>53,016.02</b>	<b>52,634.96</b>	<b>152,190.06</b>	<b>138,322.05</b>	<b>188,521.49</b>
5	<b>Profit before exceptional items and tax (3-4)</b>	<b>10,972.53</b>	<b>11,298.65</b>	<b>6,030.53</b>	<b>31,078.70</b>	<b>18,119.24</b>	<b>24,170.68</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit before tax (5-6)</b>	<b>10,972.53</b>	<b>11,298.65</b>	<b>6,030.53</b>	<b>31,078.70</b>	<b>18,119.24</b>	<b>24,170.68</b>
8	<b>Tax expense</b>						
a)	Current tax	3,117.71	2,687.53	2,182.51	8,830.63	6,581.60	8,192.27
b)	Deferred tax	(991.78)	(820.73)	(161.35)	(1,983.56)	(510.71)	(205.64)
	<b>Total tax expense</b>	<b>2,125.93</b>	<b>1,866.80</b>	<b>2,021.16</b>	<b>6,847.07</b>	<b>6,070.89</b>	<b>7,986.63</b>
9	<b>Profit for the period (7-8)</b>	<b>8,846.60</b>	<b>9,431.85</b>	<b>4,009.37</b>	<b>24,231.63</b>	<b>12,048.35</b>	<b>16,184.05</b>
10	<b>Other comprehensive income (net of tax)</b>						
(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	(1,657.50)	669.50	3,029.00	(1,417.00)	518.87	1,870.87
	(ii) income tax on (i) above	417.16	(210.44)	(1,058.45)	356.63	(181.31)	(653.76)
	<b>Total other comprehensive income, net of tax</b>	<b>(1,240.34)</b>	<b>459.06</b>	<b>1,970.55</b>	<b>(1,060.37)</b>	<b>337.56</b>	<b>1,148.85</b>
11	<b>Total comprehensive income for the period (9+10)</b>	<b>7,606.26</b>	<b>9,890.91</b>	<b>5,979.92</b>	<b>23,171.26</b>	<b>12,385.91</b>	<b>17,332.90</b>
12	Paid-up equity share capital (Face Value of Rs.1/- per share)	2,542.48	2,542.48	2,542.48	2,542.48	2,542.48	2,542.48
13	Other equity						139,781.03
14	<b>Earnings per share (Face value Rs. 1/- each) (not annualised)</b>						
(a)	Basic (in Rs.)	3.48	3.71	1.58	9.53	4.74	6.37
(b)	Diluted (in Rs.)	3.47	3.71	1.57	9.51	4.73	6.35

Notes:

- The above standalone unaudited financial results for the quarter and nine months ended December 31, 2019 have been reviewed by the Audit Committee on January 21, 2020 and approved by the Board of Directors at their meeting held on January 21, 2020.
- 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 nine months ended December 31, 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 nine months ended December 31, 2019 and remeasured its deferred tax liabilities basis the rates prescribed in the said section.
- The Company operates in one reportable business segment of Pharmaceutical products including ingredients and intermediaries.
- The Board of Directors at their meeting held on January 21, 2020 has declared third interim dividend of 25 paise per equity share of Rs.1/- each.
- The Board of Directors at their meeting held on January 21, 2020 approved a buyback proposal, subject to the approval of shareholders, for purchase by the company of up to equity shares of 1,25,00,000 of face value Re. 1 each (representing 4.92 % of total paid-up equity capital) from the shareholders of the company on a proportionate basis by way of a tender offer. The buyback price will be Rs. 200 per equity share payable in cash for an aggregate amount not exceeding Rs. 25,000 lakhs in accordance with the provisions of Companies Act, 2013 and the SEBI (Buy Back of Securities) Regulations, 2018. Additional information regarding the terms and conditions of the buyback will be disclosed in due course in accordance with Buyback Regulations.
- The figures for the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.

for and on behalf of the Board



Krishna Prasad Chigurupati  
Chairman and Managing Director

Place : Hyderabad  
Date : January 21, 2020

FOR IDENTIFICATION ONLY





**Press Release**

**Granules' Q3FY20 EBITDA Margin expands 524 bps after expensing full R&D spend and the Board of Directors approved a Buy Back of equity shares**

Hyderabad, 21<sup>st</sup> January 2020: Granules India Ltd., a growing pharmaceutical manufacturing company, announced today its result for third quarter of financial year 2020.

CONSOLIDATED FINANCIALS	Q3FY'20	Q3FY'19	Growth (Y-o-Y)
Income from Operations	INR 704 Crs.	INR 632 Crs.	11%
Operating Profit	INR 163 Crs.	INR 113 Crs.	44%
Operating Profit Margin	23.2%	17.9%	524 bps
Net Profit excluding provision for exceptional item	INR 96 Crs.	INR 60 Crs.	59%
Net Profit Margin	13.6 %	9.5%	
Provision for Impairment (exceptional item)*	INR 32 Cr	NA	
Share of Profit of JVs, net of tax	NA	INR 2 Crs.	
Net Profit excluding JVs profit and including exceptional item	INR 64 Crs.	INR 58 Crs.	10.3%

\* The divestment of Granules Biocause Pharmaceutical Co. Limited, a Joint Venture Company located in China, has progressed further with a one-time provision charged for impairment of INR 32.03 Cr provision taken in Q3FY20.

STANDALONE FINANCIALS	Q3FY'20	Q3FY'19	Growth (Y-o-Y)
Income from Operations	INR 616 Crs.	INR 581 Crs.	6%
Operating Profit	INR 138 Crs.	INR 85 Crs.	62%
Operating Profit Margin	22.4%	14.7%	770 bps
Net Profit	INR 88 Crs.	INR 40 Crs.	121%
Net Profit Margin	14.4%	6.9%	

The company proposes to buyback 125,00,000 Equity shares (Maximum Buyback) at the buyback offer price of INR 200/ share representing 4.92% of the total paid up equity capital of the company through tender offer.

The Company's Board of Directors has recommended third interim dividend of 25 paise/ share of face value of Re. 1/- each for the financial year 2020.



*"We are happy to share with you that our growth momentum continued in third quarter and we reported a 44% EBITDA growth over the corresponding quarter of the previous year which is the result of execution and operational excellence. With an aim to provide price competitive value-added products to customers with highest quality, our Finished Dosages sales contributed 54% to our revenue. Our unwavering focus on the regulated market which has a 73% revenue share and specially the US enabled us to achieve this growth. Our integrated business model with operational efficiencies and relentless focus on high volume-based core molecule business helped us improve the Operating and Net profit margins in this quarter. Net Profit during the quarter was impacted due to a one-time impairment of ~INR32.03 Cr provided for Biocause. During the quarter we have filed 2 ANDAs and received approvals for 3 ANDAs from the USFDA filed earlier. We are well on track to fulfil our commitment of improved return on investment and better leverage position of the Company. With improved cash flow and better working capital management, our net debt position is now at comfortable level of 1.4x 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.*