

**GRANULES INDIA LIMITED**

Regd Office : 8-2-293/A/A/ 2 , Plot #: 227

Road No.2, Banjara Hills, Hyderabad 500 033

**UNAUDITED FINANCIAL RESULTS**

**FOR THE QUARTER ENDED 31<sup>st</sup> DECEMBER, 2005**

(Rs. In lakhs)

S No	Particulars	Quarter ended 31st Dec 05	Quarter ended 31st Dec 04	Half Year ended 31st Dec 05	Half Year ended 31st Dec 04	Audited previous accounting year ended 30th June, 05
1	Gross sales	4,597.46	3,186.41	8,770.12	6,237.15	13748.62
	Less : Excise Duty & Sales tax	153.44	71.30	342.71	125.62	348.74
2	Net sales/ Income from operations	<b>4,444.03</b>	<b>3,115.12</b>	<b>8,427.41</b>	<b>6,111.52</b>	<b>13399.88</b>
3	Other Income	12.27	7.52	24.18	11.94	83.22
4	Total expenditure					
	a) Material consumption	2,929.12	1,967.14	5,491.56	3,769.35	8647.00
	b) Manufacturing expenses	257.13	213.17	503.32	430.98	864.40
	c) Employee cost	182.08	160.77	362.20	306.29	593.58
	d) Other expenditure	454.39	302.92	875.09	651.70	1340.41
5	Interest and finance charges	244.76	208.20	475.26	435.33	888.44
6	Depreciation	109.26	81.32	217.23	155.65	322.20
7	<b>Profit before taxation</b>	<b>279.57</b>	<b>189.11</b>	<b>526.93</b>	<b>374.16</b>	<b>827.08</b>
8	Current tax expense	51.41	31.38	95.62	62.81	27.08
9	Deferred tax expense	3.94	13.23	5.81	19.43	131.78
10	Fringe Benefit Tax	2.57	-	4.29	-	1.74
11	<b>Net Profit</b>	<b>221.64</b>	<b>144.50</b>	<b>421.22</b>	<b>291.92</b>	<b>666.49</b>
12	Paid up share capital (face value of Rs. 10/- each)	1,231.81	855.71	1,231.81	855.71	1231.81
13	Reserves excluding Revaluation reserve					
14	Basic Earnings per share (Rs.)*	1.80	1.69	3.42	3.41	5.41
15	Diluted Earnings per share (Rs.)*	1.62	1.69	3.08	3.41	5.41
16	No. of equity shares	12,318,132	8,557,125	12,318,132	8,557,125	12,318,132
17	No. of equity shares for diluted EPS	13,673,132	8,557,125	13,673,132	8,557,125	12,318,132
18	Aggregate of Non Promoter share holding:					
	- Number of shares	7,730,458	3,893,251	7,730,458	3,893,251	7,729,458
	- Percentage of share holding	62.76	45.50	62.76	45.50	62.75

\* Not Annualised

**NOTES :**

- 1) The above results have been taken on record at the Board Meeting held on 23rd January, 2006.
- 2) The company has received Nil complaints from investors during the quarter 1st October'05 to 31st December'05
- 3) The company operates only in the segment of Pharmaceuticals.
- 4) Other expenses include Administrative, Selling & distribution costs.
- 5) Provision for current tax for the quarter and half year ended 31st December 2005 does not consider the effect of a major project capitalisation expected in the later part of the year.
- 6) The share capital has increased during the year ended 30th June, 2005 on account of a GDR issue (equivalent to 3,761,007 equity shares of face value of Rs. 10 each). The proceeds of this issue are mainly being used for expansion projects that are in various stages of implementation and are yet to contribute to the earning. However, the EPS during the current quarter/half-year is calculated considering the expanded equity capital.
- 7) The Company has issued 13,55,000 share warrants to promoter with an option to convert to one Equity share for each warrant within a period of 18 months from the date of allotment. The warrants were allotted by a resolution of the Committee of the Board on 20th December, 2005, as approved by the Shareholders of the Company at 14th Annual General Meeting held on 5th December, 2005
- 8) Figures are regrouped wherever necessary.

for and on behalf of the Board

Place : Hyderabad  
Date : 23.01.2006

Dr.C.Nageswara Rao  
Chairman