



**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: 17<sup>th</sup> July 2020**

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

**Sub: Outcome of 201<sup>st</sup> Board meeting dated 17<sup>th</sup> July 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 first quarter ended June 30, 2020 prepared under Indian Accounting Standards (Ind - AS);
2. Declared first interim dividend of 25 paise per share of face value of Re. 1/- each representing 25% of paid-up capital for the financial year 2020-21;
3. Fixed the record date as 29<sup>th</sup> July 2020 for the purpose of payment of first interim dividend for the financial year 2020-21.

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 first quarter ended June 30, 2020.

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 09.30 A.M and concluded at 12.00 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

# 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 - 500 081, India.


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## Limited review report on unaudited quarterly standalone financial 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 June 2020.
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. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. 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: 20049642AAAADN8892

Place: Hyderabad  
Date : 17 July 2020



**Statement of Standalone Unaudited Results for the quarter ended June 30, 2020**

SI No.	Particulars	Quarter ended			Year ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Un-Audited	Audited (Refer note - 11)	Un-Audited	Audited
	<b>Income</b>				
1	Revenue from operations	74,292.16	48,686.99	56,784.79	230,992.83
2	Other income	630.62	1,682.75	151.37	2,645.67
3	<b>Total income (1+2)</b>	<b>74,922.78</b>	<b>50,369.74</b>	<b>56,936.16</b>	<b>233,638.50</b>
	<b>Expenses</b>				
	(a) Cost of materials consumed (refer note 9)	35,979.52	27,282.83	31,140.48	125,328.26
	(b) Changes in inventories of work in progress and finished goods	(1,930.63)	(3,010.23)	(847.98)	(3,129.76)
	(c) Employee benefits expense	6,281.08	5,289.23	4,576.85	19,251.45
	(d) Finance costs	584.79	667.47	680.02	2,686.22
	(e) Depreciation and amortisation expense	2,857.94	2,634.45	2,525.50	10,182.44
	(f) Other expenses (refer note 9)	14,397.34	9,393.96	10,053.77	40,129.16
	<b>Total expenses</b>	<b>58,170.04</b>	<b>42,257.71</b>	<b>48,128.64</b>	<b>194,447.77</b>
5	<b>Profit before exceptional items and tax (3-4)</b>	<b>16,752.74</b>	<b>8,112.03</b>	<b>8,807.52</b>	<b>39,190.73</b>
6	Exceptional items (refer note 5)	-	(16,111.87)	-	(16,111.87)
7	<b>Profit before tax (5-6)</b>	<b>16,752.74</b>	<b>24,223.90</b>	<b>8,807.52</b>	<b>55,302.60</b>
8	<b>Tax expense</b>				
	a) Current tax	5,724.01	3,392.10	3,025.39	12,222.73
	b) Deferred tax (refer note 4)	(1,471.37)	656.53	(171.05)	(1,327.03)
	<b>Total tax expense</b>	<b>4,252.64</b>	<b>4,048.63</b>	<b>2,854.34</b>	<b>10,895.70</b>
9	<b>Profit for the period (7-8)</b>	<b>12,500.10</b>	<b>20,175.27</b>	<b>5,953.18</b>	<b>44,406.90</b>
10	<b>Other comprehensive income (net of tax)</b>				
	(a) (i) items that will not be reclassified to profit or loss	-	(460.56)	-	(460.56)
	(ii) income tax on (i) above	-	123.62	-	123.62
	(b) (i) items that will be reclassified to profit or loss	(973.76)	(1,721.36)	(429.00)	(3,138.36)
	(ii) income tax on (i) above	245.08	413.87	149.91	770.50
	<b>Total other comprehensive income, net of tax</b>	<b>(728.68)</b>	<b>(1,644.43)</b>	<b>(279.09)</b>	<b>(2,704.80)</b>
11	<b>Total comprehensive income (9+10)</b>	<b>11,771.42</b>	<b>18,530.84</b>	<b>5,674.09</b>	<b>41,702.10</b>
12	Paid-up equity share capital (Face Value of Rs.1/- per share)	2,471.46	2,542.48	2,542.48	2,542.48
13	Other equity				178,616.10
14	Earnings per share (Face value Rs. 1/- each)				
	(a) Basic (in Rs.)	4.92	7.94	2.34	17.47
	(b) Diluted (in Rs.)	4.89	7.91	2.34	17.41
		(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

**Notes:**

- The above standalone un-audited financial results for the quarter ended June 30, 2020 have been reviewed by the Audit Committee on July 17, 2020 and approved by the Board of Directors at their meeting held on July 17, 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 ended June 30, 2020.
- 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 year ended March 31, 2020 and remeasured its deferred tax liabilities basis the rates prescribed in the said section. The Company recognized an amount of Rs. 1,891.88 lakhs towards reversal of deferred tax liability for the year ended March 31, 2020 on account of the remeasurement.
- During the year ended March 31, 2020, the Company has entered into a definitive agreement to divest its entire 50% shareholding in Granules-Biocyte Pharmaceutical Co. Ltd, for a consideration of Rs. 11,233.76 lakhs (RMB 109 million). Upon divestment, the resultant gain of Rs. 9,414.73 lakhs is disclosed as 'Exceptional item' in the standalone statement of profit and loss.
  - During the year ended March 31, 2020, the Company has entered into a definitive agreement to divest its entire 50% shareholding in Granules Omnicem Private Limited, for a consideration of Rs. 10,985.24 lakhs. The Company has recognised the resultant gain of Rs. 6,697.14 lakhs which is disclosed as an 'Exceptional item' in the standalone statement of profit and loss.



- 6 The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on its business operations and the safety and health of its people. With a view to ensure minimal disruption with respect to operations including production and distribution activities, the Company has taken several business continuity measures including making transport available to its factory employees where allowed for essential purposes, working from home, providing laptops, following social distancing norms and sanitization of office/work places. While the Company has not experienced any significant difficulties with respect to market demand, liquidity, financing capital expansion projects, collections so far, the Company has assessed the financial impact of the COVID-19 situation particularly on the carrying amounts of receivables, inventories, investments, property, plant and equipment and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Company has, as at the date of approval of these standalone financial results, used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the industry in general and the expected future performance of the Company. On the basis of evaluation and current indicators of future economic conditions, the Company believes that it will be in a position to recover the carrying amounts of these assets and does not anticipate any material impact due to impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration.
- 7 The Company operates in one reportable business segment of Pharmaceutical products including ingredients and intermediaries.
- 8 During the quarter ended June 30, 2020, the Company has concluded the buyback of 7,101,374 equity shares at a price of ₹ 200 per equity share ("Buyback") as approved earlier by the Board of Directors at their meeting held on January 21, 2020.
- 9 During the quarter, Granules Pharmaceuticals Inc., has announced the voluntarily recall of 12 batches of Metformin Hydrochloride Extended – Release tablets USP, 750 mg. Out of the 12 batches, the recall of 1 batch was due to the detection of N- Nitrosodimethylamine (NDMA) levels above the Acceptable Daily Intake limit. The recall of the remaining 11 batches which were well below the limit was out of abundance of caution. The Company has made a provision of Rs 1,506.01 lakhs (USD 2 million) during the quarter on account of failure to supply, anticipated re-call costs and write downs of closing inventories. Out of Rs 1,506.01 lakhs, Cost of materials consumed includes Rs 538.40 lakhs and other expenses by Rs 967.61 lakhs.
- 10 The Board of Directors at their meeting held on July 17, 2020 has declared first interim dividend of 25 paise per equity share of Re.1/- each.
- 11 The figures for the quarters ended March 31, 2020 are the balancing numbers between audited figures in respect of the full financial years and the published unaudited year to date figures upto the end of the third quarter of the relevant financial year, which are subjected to limited review.
- 12 The figures for the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.

Place : Hyderabad  
Date : July 17, 2020

for and on behalf of the Board



Krishna Prasad Chigurupati  
Chairman and Managing Director



# B S R & Associates LLP

Chartered Accountants

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Orwell, B Wing, 6th Floor, Unit - 3  
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## Limited review report on unaudited quarterly consolidated financial 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 June 2020 (“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

5. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

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

6. 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 7 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.
  
7. We did not review the interim financial information of two subsidiaries included in the Statement, whose interim financial information reflect total revenues of Rs. 17,730.27 lakhs, total net profit after tax of Rs. 783.38 lakhs and total comprehensive income of Rs. 875.25 lakhs for the quarter ended 30 June 2020, as considered in the consolidated unaudited financial results. 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, 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.

8. The Statement includes the interim financial information of one subsidiary which have not been reviewed, whose interim financial information reflect total revenue of Rs. Nil, total net loss after tax of Rs. 39.60 lakhs and total comprehensive loss of Rs. 35.95 lakhs for the quarter ended 30 June 2020, as considered in the Statement. 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



**Srikanth Mahalingam**

Partner

Membership No.: 049642

UDIN: 20049642AAAADMI711

Place: Hyderabad

Date : 17 July 2020



Rs in lakhs

Statement of Consolidated Unaudited Results for the quarter ended June 30, 2020

Sl No.	Particulars	Quarter ended			Year ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Un-Audited	Audited (Refer note - 12)	Un-Audited	Audited
	<b>Income</b>				
1	Revenue from operations	73,559.62	59,988.34	59,527.28	259,864.65
2	Other income	563.02	2,251.93	185.47	3,655.52
3	<b>Total income (1+2)</b>	<b>74,122.64</b>	<b>62,240.27</b>	<b>59,712.75</b>	<b>263,520.17</b>
4	<b>Expenses</b>				
	(a) Cost of materials consumed (refer note 10)	37,360.16	29,414.83	32,587.19	131,491.77
	(b) Changes in inventories of work in progress and finished goods	(7,601.06)	(1,510.90)	(3,042.46)	(3,398.64)
	(c) Employee benefits expense	8,365.48	7,381.87	5,702.98	25,903.82
	(d) Finance costs	595.26	657.06	686.99	2,702.38
	(e) Depreciation and amortisation expense	3,407.74	3,897.00	2,866.97	13,695.35
	(f) Other expenses (refer note 10)	17,076.17	14,707.78	12,417.54	53,335.87
	<b>Total expenses</b>	<b>59,203.75</b>	<b>54,547.64</b>	<b>51,219.21</b>	<b>223,730.55</b>
	<b>Profit before share of profit from joint venture &amp; associate, exceptional items and tax (3-4)</b>	<b>14,918.89</b>	<b>7,692.63</b>	<b>8,493.54</b>	<b>39,789.62</b>
6	Share of profit of joint venture and associate, net of tax	-	-	2,549.09	2,549.09
7	<b>Profit before exceptional items and tax (5+6)</b>	<b>14,918.89</b>	<b>7,692.63</b>	<b>11,042.63</b>	<b>42,338.71</b>
8	Exceptional items (refer note 7)	-	(5,977.29)	-	(2,773.90)
9	<b>Profit before tax (7-8)</b>	<b>14,918.89</b>	<b>13,669.92</b>	<b>11,042.63</b>	<b>45,112.61</b>
10	<b>Tax expense</b>				
	a) Current tax	5,956.85	3,592.67	3,042.45	12,570.83
	b) Deferred tax (refer note 6)	(2,182.89)	843.57	(324.01)	(998.05)
	<b>Total tax expense</b>	<b>3,773.96</b>	<b>4,436.24</b>	<b>2,718.44</b>	<b>11,572.78</b>
11	<b>Profit for the period (9-10)</b>	<b>11,144.93</b>	<b>9,233.68</b>	<b>8,324.19</b>	<b>33,539.83</b>
12	<b>Other comprehensive income (net of tax)</b>				
	(a) (i) items that will not be reclassified to profit or loss	-	(460.56)	-	(460.56)
	(ii) income tax on (i) above	-	123.62	-	123.62
	(b) (i) items that will be reclassified to profit or loss	(878.24)	162.12	(941.18)	(215.07)
	(ii) income tax on (i) above	245.08	815.15	197.07	770.50
	<b>Total other comprehensive income, net of tax</b>	<b>(633.16)</b>	<b>640.33</b>	<b>(744.11)</b>	<b>218.49</b>
13	<b>Total comprehensive income (11+12)</b>	<b>10,511.77</b>	<b>9,874.01</b>	<b>7,580.08</b>	<b>33,758.32</b>
14	Paid-up equity share capital (Face Value of Rs. 1/- per share)	2,471.46	2,542.48	2,542.48	2,542.48
15	Other equity				181,829.93
16	Earnings per share (Face value Rs. 1/- each)				
	(a) Basic (in Rs.)	4.39	3.63	3.27	13.19
	(b) Diluted (in Rs.)	4.36	3.62	3.27	13.15
		(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

**Notes:**

- The above consolidated unaudited financial results for the quarter ended June 30, 2020 have been reviewed by the Audit Committee on July 17, 2020 and approved by the Board of Directors at their meeting held on July 17, 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 ended June 30, 2020.
- The subsidiaries considered for the consolidated financial statements for the quarter ended June 30, 2020 are Granules USA Inc., Granules Pharmaceuticals Inc. and Granules Europe Limited (together known as "Subsidiaries").
- 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 year ended March 31, 2020 and remeasured its deferred tax liabilities basis the rates prescribed in the said section. The Company recognized an amount of Rs. 1,891.88 lakhs towards reversal of deferred tax liability for the year ended March 31, 2020 on account of the remeasurement.



- 7 a) During the year ended March 31, 2020, the Company entered into a definitive agreement to divest its entire 50% shareholding in Granules-Bioclause Pharmaceutical Co. Ltd, for a consideration of Rs. 11,233.76 lakhs (RMB 109 million). Upon divestment, the resultant loss of Rs. 3,203.39 lakhs is disclosed as 'Exceptional item' in the consolidated statement of profit and loss.
- b) During the year ended March 31, 2020, the Company has entered into a definitive agreement to divest its entire 50% shareholding in Granules Omnicem Private Limited, for a consideration of Rs. 10,985.24 lakhs. The Company has recognised the resultant gain of Rs. 5,977.29 lakhs which is disclosed as an 'Exceptional item' in the consolidated statement of profit and loss.
- 8 The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on its business operations and the safety and health of its people. With a view to ensure minimal disruption with respect to operations including production and distribution activities, the Group has taken several business continuity measures including making transport available to its factory employees where allowed for essential purposes, working from home, providing laptops, following social distancing norms and sanitization of office/work places. While the Group has not experienced any significant difficulties with respect to market demand, liquidity, financing capital expansion projects, collections so far, the Company has assessed the financial impact of the COVID-19 situation particularly on the carrying amounts of receivables, inventories, investments, property, plant and equipment and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions, the Group has, as at the date of approval of these consolidated financial results, used internal and external sources of information, including economic forecasts and estimates from market sources, on the expected future performance of the industry in general and the expected future performance of the Group. On the basis of evaluation and current indicators of future economic conditions, the Group believes that it will be in a position to recover the carrying amounts of these assets and does not anticipate any material impact due to impairment to these financial and non-financial assets. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature and duration
- 9 During the quarter ended June 30, 2020, the Company has concluded the buyback of 71,01,374 equity shares at a price of ₹ 200 per equity share ("Buyback") as approved earlier by the Board of Directors at their meeting held on January 21, 2020.
- 10 During the quarter, Granules Pharmaceuticals Inc., has announced the voluntarily recall of 12 batches of Metformin Hydrochloride Extended – Release tablets USP, 750 mg. Out of the 12 batches, the recall of 1 batch was due to the detection of N- Nitrosodimethylamine (NDMA) levels above the Acceptable Daily Intake limit. The recall of the remaining 11 batches which were well below the limit was out of abundance of caution. The Group has made a provision of Rs 1,506.01 lakhs (USD 2 million) during the quarter on account of failure to supply, anticipated re-call costs and write downs of closing inventories. Out of Rs 1,506.01 lakhs, Cost of materials consumed includes Rs 538.40 lakhs and other expenses by Rs 967.61 lakhs.
- 11 The Board of Directors at their meeting held on July 17, 2020 has declared first interim dividend of 25 paise per equity share of Re.1/- each.
- 12 The figures for the quarter ended March 31, 2020 are the balancing figures between audited figures in respect to full financial year and the published unaudited year to date figures upto the end of the third quarter of the relevant financial year, which were subjected to limited review.
- 13 The figures for the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.
- 14 Standalone results for the quarter / year ended are as under -

Particulars	Quarter ended			Rs in lakhs
	30.06.2020	31.03.2020	30.06.2019	Year ended
	Un-Audited	Audited	Un-Audited	Audited
Revenue from Operations	74292.16	48,686.99	56,784.79	230,992.83
Profit Before Tax	16752.74	24,223.90	8,807.52	55,302.60
Profit After Tax	12,500.10	20,175.27	5,953.18	44,406.90

Place : Hyderabad  
Date : July 17, 2020

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





**Granules India records highest Revenue, EBITDA and PAT margins in the history of the company in Q1FY21; PAT margin up 93% YOY**

Hyderabad, 17<sup>th</sup> July 2020: Granules India Ltd., a fast-growing pharmaceutical manufacturing company, today announced its earnings for the quarter ended June 30, 2020.

**Q1FY21 Financial Highlights (All numbers in INR Cr except Margins)**

CONSOLIDATED FINANCIALS	Q1FY21	Q1FY20	Growth (YoY)
Income from Operations	735.6	595.3	23.6%
Gross Profit	438.0	299.8	46.1%
Gross Profit Margin	59.5%	50.4%	918 bps
Operating Profit (EBITDA)	183.6	118.6	54.8%
Operating Profit Margin	25.0%	19.9%	503 bps
PAT	111.4	57.8*	93.0%
Net Profit Margin	15.2%	9.7%	544 bps

*\*Profits of 25.5cr from both the divested Joint Ventures has been excluded from Q1 FY20 numbers*

**Q1FY21 Financial and Business Highlights**

- ❑ Milestone quarter, ***the highest-ever quarter in the history of the company***, with revenue from operations in Q1FY21 growing by 23.6% YoY mainly on an account of increase in market share of the base business before and during COVID-19, from PFI and FD sales.
- ❑ Gross margin expanded 918 bps YoY and stood at 59.5%; contribution came from increase in FD, PFI sales and increase in margins in API sales owing to prices increases
- ❑ EBITDA for the quarter grew at 54.8% with a 503 bps YoY EBITDA margin improvement
- ❑ PAT for the quarter stood at INR 111.4 Cr up 93% from 57.8 Cr YOY
- ❑ Launched Colchicine tablets and Butalbital APAP caffeine tablets through GPI during the quarter
- ❑ Completed the buyback during the quarter with a total spend of INR 142 Cr this quarter (excluding taxes). Taxes of INR 33 Cr will be paid in Q2

- ❑ Release of 12.95% pledged shares during the quarter; 3.64% of the total shareholder's equity remains currently pledged
- ❑ Successfully cleared the EU GMP inspection for Unit-5
- ❑ COVID-19: Focus continues to be the safety of employees. Implemented various protection measures; a spend of INR 13 Cr during the quarter
- ❑ Voluntary nationwide Class 2 recall of Metformin Hydrochloride Extended-Release Tablets USP, 750 mg due to the Detection of N-Nitrosodimethylamine (NDMA) Impurity out of abundance of caution; current estimate of impact provided for at INR 15 Cr in this quarter
- ❑ ANDA filings: The company filed 3 ANDAs/ Dossiers in the North American and European markets and received approvals for 6 ANDAs (including 1 tentative approval) from the USFDA during the quarter
- ❑ The Company's Board of Directors has approved first interim dividend of 25 paise per share of face value of Re. 1 each.

**Commenting on the results, Mr. Krishna Prasad Chigurupati, Chairman & Managing Director of Granules India Limited, said** " I am pleased to announce the highest ever quarter performance in the history of Granules India with a 23.6% YoY Revenue growth, an impressive EBITDA margin expansion of 503 bps and a YoY PAT growth of 93%. Our long-term investments in backward and forward integration from APIs to FDs are delivering expected results as demonstrated by new product launches and increase in market share of our existing products. This is the result of operational excellence and a vigilant watch over our margins through optimization of the product mix and by increased capacities and optimal capacity utilization. Our regulated markets (North America and Europe) contributed 71% of revenues in Q1FY21. Our first quarter performance gives us confidence that we are on track to end the year as per the plan, we expect to maintain our focus on delivering increased shareholder value."

**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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**Safe Harbor**

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