



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: 11th May 2021

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

Sub: Outcome of 205th Board meeting dated 11th May, 2021.
Ref: Regulation 30 and 33 of the Listing Regulations.

Dear Sir,

The Board of Directors at their meeting has -

1. Approved the Audited financial results (Standalone & Consolidated) for the fourth quarter and financial year ended 31st March 2021 prepared under Indian Accounting Standards (Ind - AS) along with the Auditor's report thereon.
2. Recommended to the members, a final dividend of 75 paise per share of face value of Re. 1/- each for the financial year 2020-21 representing 75% of paid-up capital in addition to the interim dividend of 75 paise per share paid during the year.
3. Fixed the date of 30th Annual General Meeting on 5th August 2021 to be held through VC/OVAM.
4. Fixed the date of book closure from 30th July 2021 to 5th August 2021 for the purpose of Annual General Meeting and for the payment of final 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 Audited financial results (Standalone and Consolidated) of the Company for the fourth quarter and year ended 31st March, 2021.

We also enclose a copy of the Report of the Statutory Auditors of the Company, as required under Regulation 33 of the Listing Regulations and press release.

We hereby confirm and declare that the statutory auditors of the Company, B S R & Associates LLP, Chartered Accountants registered vide Firm Registration No. 116231W/W-100024 have in their report issued an unmodified opinion on the standalone and consolidated financial results of the Company for the financial year ended March 31, 2021.

G. Chaitanya

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

G. Chaitanya

**CHAITANYA TUMMALA
(COMPANY SECRETARY &
COMPLIANCE OFFICER**



Encl: As above

B S R & Associates LLP

Chartered Accountants

Salarpuriya Knowledge City,
Orwell, B Wing, 6th Floor, Unit-3,
Sy No. 83/1, Plot No. 02, Raidurg,
Hyderabad – 500 081 - India

Telephone: +91 40 7182 2000
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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF GRANULES INDIA LIMITED

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Granules India Limited (hereinafter referred to as the “Company”) for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the Standalone annual financial results.

Management’s and Board of Directors’ Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company’s Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and

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Report on the audit of the Standalone Annual Financial Results of Granules India Limited under Regulation 33 of the Listing Regulations for the year ended 31 March 2021 (continued)

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results (continued)

presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are

B S R & Associates LLP

Report on the audit of the Standalone Annual Financial Results of Granules India Limited under Regulation 33 of the Listing Regulations for the year ended 31 March 2021 (continued)

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results (continued)

inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The standalone annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration number: 116231W / W-100024

SRIRAM
MAHALINGAM

Digitally signed by
SRIRAM MAHALINGAM
Date: 2021.05.11
12:24:49 +05'30'

Sriram Mahalingam

Partner

Membership Number: 049642

UDIN: 21049642AAAABK2097

Place: Hyderabad

Date : 11 May 2021



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

Rs in lakhs

Statement of Standalone Audited Results for the quarter and year ended March 31, 2021

Sl No.	Particulars	Quarter ended			Year ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		Audited	Un-Audited	Audited	Audited	Audited
	Income					
1	Revenue from operations	78,155.12	77,601.12	48,686.99	313,498.24	230,992.83
2	Other income	306.10	294.92	1,682.75	1,372.32	2,645.67
3	Total income (1+2)	78,461.22	77,896.04	50,369.74	314,870.56	233,638.50
	Expenses					
	(a) Cost of materials consumed (refer note 8)	35,346.65	39,060.41	27,282.83	150,219.35	125,328.26
	(b) Changes in inventories of work in progress and finished goods	1,443.46	364.08	(3,010.23)	744.93	(3,129.76)
	(c) Employee benefits expense	7,746.65	7,570.25	6,020.55	31,825.23	23,178.89
	(d) Finance costs	575.26	594.22	667.47	2,377.39	2,686.22
	(e) Depreciation and amortisation expense	3,051.11	2,977.04	2,634.45	11,845.14	10,182.44
	(f) Other expenses (refer note 8)	11,326.84	10,469.62	8,662.64	44,571.50	36,201.72
	Total expenses	59,489.97	61,035.62	42,257.71	241,583.54	194,447.77
5	Profit before exceptional items and tax (3-4)	18,971.25	16,860.42	8,112.03	73,287.02	39,190.73
6	Exceptional items (refer note 4)	-	-	(16,111.87)	-	(16,111.87)
7	Profit before tax (5-6)	18,971.25	16,860.42	24,223.90	73,287.02	55,302.60
8	Tax expense					
	a) Current tax	4,681.30	4,369.58	3,392.10	20,231.19	12,222.73
	b) Deferred tax (refer note 3)	64.56	(89.60)	656.53	(1,697.38)	(1,327.03)
	c) Adjustment of tax relating to earlier periods	-	(525.10)	-	(525.10)	-
	Total tax expense	4,745.86	3,754.88	4,048.63	18,008.71	10,895.70
9	Profit for the period (7-8)	14,225.39	13,105.54	20,175.27	55,278.31	44,406.90
10	Other comprehensive income (net of tax)					
	(a) (i) items that will not be reclassified to profit or loss	(36.69)	-	(460.56)	(36.69)	(460.56)
	(ii) income tax on (i) above	9.23	-	123.62	9.23	123.62
	(b) (i) items that will be reclassified to profit or loss	2,703.78	(1,789.48)	(1,721.36)	(699.98)	(3,138.36)
	(ii) income tax on (i) above	(680.49)	450.38	413.87	176.17	770.50
	Total other comprehensive income, net of tax	1,995.83	(1,339.10)	(1,644.43)	(551.27)	(2,704.80)
11	Total comprehensive income (9+10)	16,221.22	11,766.44	18,530.84	54,727.04	41,702.10
12	Paid-up equity share capital (Face Value of Rs. 1/- per share)	2,476.75	2,476.75	2,542.48	2,476.75	2,542.48
13	Other equity				213,785.42	178,616.10
14	Earnings per share (Face value Rs. 1/- each)					
	(a) Basic (in Rs.)	5.74	5.29	7.94	22.18	17.47
	(b) Diluted (in Rs.)	5.72	5.26	7.91	22.09	17.41
		(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)	(Annualised)



Standalone statement of Assets and Liabilities :		Rs in lakhs	
Sl. No.	Particulars	As at	As at
		March 31, 2021	March 31, 2020
		Audited	Audited
I	ASSETS		
	Non-current assets		
	a) Property, plant and equipment	92,630.65	86,770.55
	b) Capital work-in-progress	14,658.41	10,086.39
	c) Other intangible assets	5,869.36	5,917.80
	d) Intangible assets under development	1,742.77	2,891.59
	e) Financial assets		
	i) Investments	59,153.12	44,539.17
	ii) Loans	2,202.29	15,429.07
	f) Other non-current assets	4,240.01	1,495.37
	Total non-current assets	180,496.61	167,129.94
	Current assets		
	a) Inventories	46,169.68	34,394.74
	b) Financial assets		
	i) Trade receivables	101,423.62	62,700.27
	ii) Cash and cash equivalents	2,003.29	17,432.47
	iii) Bank balances other than cash and cash equivalents above	22,119.38	9,801.38
	iv) Loans	27.71	175.69
	v) Other financial assets	38.17	264.99
	c) Other current assets	16,004.89	11,733.34
		187,786.74	136,502.88
	d) Assets held for sale	-	10,985.24
	Total current assets	187,786.74	147,488.12
	TOTAL ASSETS	368,283.35	314,618.06
II	EQUITY AND LIABILITIES		
	Equity		
	a) Equity share capital	2,476.75	2,542.48
	b) Other equity	213,785.42	178,616.10
	Total equity	216,262.17	181,158.58
	Liabilities		
	Non-current liabilities		
	a) Financial liabilities		
	i) Borrowings	34,114.33	42,091.66
	b) Provisions	2,484.22	2,150.34
	c) Deferred tax liabilities (net)	2,589.32	4,472.10
	Total non-current liabilities	39,187.87	48,714.10
	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	40,927.05	37,169.09
	ii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	324.69	855.47
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	50,440.47	31,432.03
	iii) Other financial liabilities	17,034.67	12,681.99
	b) Other current liabilities	1,966.85	1,665.82
	c) Provisions	682.13	595.51
	d) Current tax liabilities (net)	1,457.45	345.47
	Total current liabilities	112,833.31	84,745.38
	Total liabilities	152,021.18	133,459.48
	TOTAL EQUITY AND LIABILITIES	368,283.35	314,618.06



Statement of standalone cash flow :		
	For the year ended March 31, 2021	For the year ended March 31, 2020
	Audited	Audited
Cash flow from operating activities		
Profit before tax	73,287.02	55,302.60
<i>Adjustments to reconcile profit before tax to net cash flows</i>		
Depreciation and amortisation expense	11,845.14	10,182.44
Bad debts written off	162.22	164.99
Allowance for doubtful trade receivables	749.95	671.42
Allowance for doubtful advances	169.53	-
Gain on sale of investments	-	(16,111.87)
Loss on sale of fixed assets (net)	36.84	23.45
Changes in fair value of cashflow hedges	1,204.52	148.13
Net loss/(gain) on foreign exchange fluctuations (unrealised)	(0.77)	(2,004.87)
Share based compensation expense	151.24	198.06
Interest expense	2,377.39	2,686.22
Interest income	(1,323.98)	(1,348.84)
Operating profit before working capital changes	88,659.10	49,911.73
<i>Movements in working capital:</i>		
Decrease/(increase) in trade receivables	(38,613.01)	9,979.73
Decrease/(increase) in inventories	(11,774.94)	(2,981.23)
Decrease/(increase) in other assets	(4,335.91)	633.58
Increase in trade payables, other liabilities and provisions	22,124.71	3,898.08
Cash generated from operations	56,059.95	61,441.89
Taxes paid (net of refunds)	(18,594.11)	(11,963.00)
Net cash generated from operating activities	(A) 37,465.84	49,478.89
Cash flow from investing activities		
Purchase of fixed assets including capital work-in-progress, capital advances and payables for capital goods	(22,262.59)	(11,943.18)
Proceeds from sale of fixed assets	32.71	17.63
Placement of bank deposits	(12,317.76)	(9,193.71)
Purchase of investments	(20.00)	-
Investment in subsidiaries	(2,500.00)	-
Proceeds from sale of associate	10,985.24	11,233.76
Loans given to subsidiaries	(77.51)	(6,927.63)
Interest received	2,898.04	332.84
Net cash used in investing Activities	(B) (23,261.87)	(16,480.29)
Cash flow from financing activities		
Proceeds from issuance of shares	414.50	-
Repayment of borrowings	(10,153.55)	(5,986.36)
(Repayment)/proceeds of short-term borrowings, net	2,960.23	(9,353.54)
Repayment of lease liability (including related interest)	(271.79)	(171.95)
Payment towards Buyback including transaction cost	(17,714.41)	-
Interest paid	(2,383.78)	(2,651.65)
Dividend paid on equity shares including tax thereon	(2,472.08)	(3,065.09)
Net cash used in financing activities	(C) (29,620.88)	(21,228.59)
Net increase/(decrease) in cash and cash equivalents	(A+B+C) (15,416.91)	11,770.01
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(12.27)	20.43
Cash and cash equivalents at the beginning of the year	17,432.47	5,642.03
Cash and cash equivalents at the end of the year	2,003.29	17,432.47

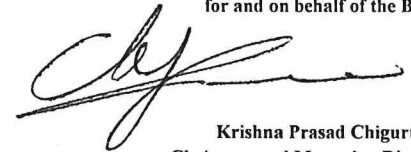
Note: The above Statement of Cash flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'



Notes:

- 1 The above standalone audited financial results for the quarter and year ended March 31, 2021 have been reviewed by the Audit Committee on May 11, 2021 and approved by the Board of Directors at their meeting held on May 11, 2021.
- 2 The standalone audited 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.
- 3 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.
- 4 a) During the year ended March 31, 2020, the Company had entered into a definitive agreement to divest its entire 50% shareholding in Granules-Bioclone Pharmaceutical Co. Ltd, for a consideration of Rs. 11,233.76 lakhs (RMB 109 million). The consideration for the divestment was received during the year ended March 31, 2020. Upon divestment, the resultant gain of Rs. 9,414.73 lakhs is disclosed as 'Exceptional item' in the standalone statement of profit and loss.
b) During the year ended March 31, 2020, the Company had 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 consideration for the divestment was received in the month of May, 2020. The Company had 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.
- 5 As the out-break continues to evolve, the company will continue to closely monitor any material changes to future economic conditions. Based on the assessment done by the management of the Company, there is no significant / material impact of COVID-19 on the results for the quarter and year ended March 31, 2021 and year ended March 31, 2020.
- 6 The Company operates in one reportable business segment of Pharmaceutical products including ingredients and intermediaries.
- 7 During the year, the Company has allotted 528,608 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).
- 8 During the year ended March 31, 2021, Granules Pharmaceuticals Inc., had 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 remaining 11 batches, which were well below the limit, were recalled by the Company out of caution. The Company has made a provision of Rs 753.01 lakhs (USD 1 million) during the year ended March 31, 2021 on account of failure to supply, anticipated re-call costs and write down of closing inventories. Out of Rs 753.01 lakhs, Rs 538.40 lakhs included in cost of materials consumed and Rs 214.61 lakhs in other expenses.
- 9 During the year ended March 31, 2021, 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.
- 10 The Board of Directors at their meeting held on May 11, 2021 have recommended final dividend of 75 paise per equity share of Re.1/- each in addition to interim dividend of 75 paise per equity share of Re.1/- each paid during the year.
- 11 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effective.
- 12 The figures for the quarters ended March 31, 2021 and 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.
- 13 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 : May 11, 2021



B S R & Associates LLP

Chartered Accountants

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Orwell, B Wing, 6th Floor, Unit-3,
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INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF GRANULES INDIA LIMITED

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Granules India Limited (hereinafter referred to as the “Holding Company”) and its subsidiaries (Holding Company and its subsidiaries together referred to as “the Group”) for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (‘Listing Regulations’).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- a. include the annual financial statement / results of the following:

Name of the entity	Relationship
Granules USA Inc.	Wholly owned subsidiary
Granules Pharmaceuticals Inc.	Wholly owned subsidiary
Granules Europe Limited	Wholly owned subsidiary
Granules Life Sciences Private Limited	Wholly owned subsidiary

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Our opinion is not modified in respect of this matter.

Principal Office:

B S R & Associates LLP

Report on the audit of the Consolidated Annual Financial Results of Granules India Limited under Regulation 33 of the Listing Regulations for the year ended 31 March 2021 (continued)

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company's Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit/ loss and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

B S R & Associates LLP

Report on the audit of the Consolidated Annual Financial Results of Granules India Limited under Regulation 33 of the Listing Regulations for the year ended 31 March 2021 (continued)

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

B S R & Associates LLP

Report on the audit of the Consolidated Annual Financial Results of Granules India Limited under Regulation 33 of the Listing Regulations for the year ended 31 March 2021 (continued)

Other Matters

- a) The consolidated annual financial results include the audited financial results of two subsidiaries, whose financial statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 115,493.48 as at 31 March 2021, Group's share of total revenue (before consolidation adjustments) of Rs. 102,097.26 and Group's share of total net profit after tax (before consolidation adjustments) of Rs. 7,215.84 and Group's share of net cash inflows of Rs. 643.19 for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.
- b) The consolidated annual financial results include the unaudited financial results of two subsidiaries, whose financial statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 2,454.62 as at 31 March 2021, Group's share of total revenue (before consolidation adjustments) of Rs. Nil and Group's share of total net loss after tax of Rs. 260.91, and Group's share of net cash inflows of Rs. 1,178.11 for the year ended on that date, as considered in the consolidated annual financial results. These unaudited financial statements / financial information have been furnished to us by the Board of Directors and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on such annual financial statements/ financial information. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements/ financial information are not material to the Group.

Our opinion on the consolidated annual financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial results/financial information certified by the Board of Directors.

- c) The consolidated annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

for **B S R & Associates LLP**

Chartered Accountants

ICAI Firm Registration No.: 116231W/ W-100024

SRIRAM

MAHALINGAM

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SRIRAM MAHALINGAM
Date: 2021.05.11
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Sriram Mahalingam

Partner

Membership No.: 049642

UDIN: 21049642AAAABI8848

Place: Hyderabad

Date : 11 May 2021



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

Rs in lakhs

Statement of Consolidated Audited Results for the quarter and year ended March 31, 2021

Sl No.	Particulars	Quarter ended			Year ended	
		31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
		Audited	Un-Audited	Audited	Audited	Audited
	Income					
1	Revenue from operations	79,931.32	84,451.15	59,988.34	323,754.28	259,864.65
2	Other income (refer note 9)	327.84	1,641.31	2,251.93	2,688.18	3,655.52
3	Total income (1+2)	80,259.16	86,092.46	62,240.27	326,442.46	263,520.17
	Expenses					
(a)	Cost of materials consumed (refer note 8)	38,504.47	41,361.23	29,414.83	159,027.67	131,491.77
(b)	Changes in inventories of work in progress and finished goods	(4,348.21)	(2,260.76)	(1,510.90)	(19,900.33)	(3,398.64)
(c)	Employee benefits expense	9,987.89	10,096.12	8,356.51	40,818.10	30,074.58
(d)	Finance costs	681.80	724.42	657.06	2,628.41	2,702.38
(e)	Depreciation and amortisation expense	4,447.81	3,684.61	3,897.00	15,146.25	13,695.35
(f)	Other expenses (refer note 8)	15,586.48	14,098.46	13,733.14	58,285.93	49,165.11
	Total expenses	64,860.24	67,704.08	54,547.64	256,006.03	223,730.55
	Profit before share of profit from joint venture & associate, exceptional items and tax (3-4)	15,398.92	18,388.38	7,692.63	70,436.43	39,789.62
6	Share of profit of joint venture and associate, net of tax	-	-	-	-	2,549.09
7	Profit before exceptional items and tax (5+6)	15,398.92	18,388.38	7,692.63	70,436.43	42,338.71
8	Exceptional items (refer note 6)	-	-	(5,977.29)	-	(2,773.90)
9	Profit before tax (7-8)	15,398.92	18,388.38	13,669.92	70,436.43	45,112.61
10	Tax expense					
a)	Current tax	3,200.66	4,956.47	3,592.67	20,255.74	12,570.83
b)	Deferred tax (refer note 5)	(558.60)	(530.29)	843.57	(4,046.68)	(998.05)
c)	Adjustment of tax relating to earlier periods	-	(718.53)	-	(718.53)	-
	Total tax expense	2,642.06	3,707.65	4,436.24	15,490.53	11,572.78
11	Profit for the period (9-10)	12,756.86	14,680.73	9,233.68	54,945.90	33,539.83
12	Other comprehensive income (net of tax)					
(a)	(i) items that will not be reclassified to profit or loss	(36.69)	-	(460.56)	(36.69)	(460.56)
	(ii) income tax on (i) above	9.23	-	123.62	9.23	123.62
(b)	(i) items that will be reclassified to profit or loss	2,795.22	(2,525.39)	162.12	(2,764.76)	(215.07)
	(ii) income tax on (i) above	(680.49)	450.38	815.15	176.17	770.50
	Total other comprehensive income, net of tax	2,087.27	(2,075.01)	640.33	(2,616.05)	218.49
13	Total comprehensive income (11+12)	14,844.13	12,605.72	9,874.01	52,329.85	33,758.32
14	Paid-up equity share capital (Face Value of Rs.1/- per share)	2,476.75	2,476.75	2,542.48	2,476.75	2,542.48
15	Other equity				214,850.68	181,829.93
16	Earnings per share (Face value Rs. 1/- each)					
(a)	Basic (in Rs.)	5.15	5.92	3.63	22.05	13.19
(b)	Diluted (in Rs.)	5.13	5.90	3.62	21.95	13.15
		(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)	(Annualised)



Consolidated Statement of Assets and Liabilities :		Rs in lakhs	
		As at March 31, 2021 Audited	As at March 31, 2020 Audited
I	ASSETS		
	Non-current assets		
	a) Property, plant and equipment	107,122.15	98,877.21
	b) Capital work-in-progress	18,477.17	14,807.04
	c) Other intangible assets	26,077.42	21,520.19
	d) Intangible assets under development	5,431.00	14,613.39
	e) Financial assets		
	i) Investments	1,898.94	1,934.03
	ii) Loans	1,313.41	1,661.16
	f) Deferred tax assets	77.32	525.02
	g) Income tax assets (net)	568.46	52.99
	h) Other non-current assets	10,679.00	5,974.87
	Total non-current assets	171,644.87	159,965.90
	Current assets		
	a) Inventories	78,217.85	43,843.08
	b) Financial assets		
	i) Trade receivables	76,542.01	66,203.57
	ii) Cash and cash equivalents	4,183.59	18,592.89
	iii) Bank balances other than cash and cash equivalents above	22,920.80	9,801.38
	iv) Loans	999.34	787.65
	v) Other financial assets	56.95	360.97
	c) Other current assets	16,779.63	12,295.03
		199,700.17	151,884.57
	d) Assets held for sale (refer note 6(b))	-	10,985.24
	Total current assets	199,700.17	162,869.81
	TOTAL ASSETS	371,345.04	322,835.71
II	EQUITY AND LIABILITIES		
	Equity		
	a) Equity share capital	2,476.75	2,542.48
	b) Other equity	214,850.68	181,829.93
	Total equity	217,327.43	184,372.41
	Liabilities		
	Non-current liabilities		
	a) Financial liabilities		
	i) Borrowings	34,114.33	42,152.25
	b) Provisions	2,484.22	2,150.34
	c) Deferred tax liabilities (net) (refer note 5)	109.25	4,820.91
	Total non-current liabilities	36,707.80	49,123.50
	Current liabilities		
	a) Financial liabilities		
	i) Borrowings	40,927.05	37,169.09
	ii) Trade payables		
	(a) Total outstanding dues of micro enterprises and small enterprises	324.69	855.47
	(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	53,780.06	34,832.49
	iii) Other financial liabilities	18,058.42	13,603.70
	b) Other current liabilities	2,018.68	1,712.63
	c) Provisions	682.13	595.51
	d) Current tax liabilities (net)	1,518.78	570.91
	Total current liabilities	117,309.81	89,339.80
	Total liabilities	154,017.61	138,463.30
	TOTAL EQUITY AND LIABILITIES	371,345.04	322,835.71



Statement of Consolidated cash flow :		
	For the year ended March 31, 2021	For the year ended March 31, 2020
	Audited	Audited
Cash flow from operating activities		
Profit before tax excluding share of profit of joint venture & associate	70,436.43	42,563.52
<i>Adjustments to reconcile profit before tax to net cash flows</i>		
Depreciation and amortisation expense	15,146.25	13,695.35
Bad debts written off	246.31	302.01
Allowance for doubtful trade receivables	749.95	535.48
Allowance for doubtful advances	169.53	-
Gain on disposal of associate and joint venture (net)	-	(2,773.90)
Impairment of Investments	-	2,171.53
Loss on sale of fixed assets (net)	39.19	24.67
Changes in fair value of cashflow hedges	1,204.52	148.13
Net loss/(gain) on foreign exchange fluctuations (unrealised)	23.56	(1,410.42)
Write off of Intangible assets under development	72.89	1,127.83
Share based payment expense	399.86	731.87
Reclassified forex from OCI to P&L on account of sale of associate	-	(930.44)
Interest expense	2,628.40	2,702.38
Interest income	(1,237.87)	(636.20)
Operating profit before working capital changes	89,879.02	58,251.81
<i>Movements in working capital:</i>		
Increase in trade receivables	(3,639.03)	(3,905.60)
Increase in inventories	(34,588.76)	(5,421.83)
Decrease/(increase) in other assets	(4,550.37)	441.75
Increase in trade payables, other liabilities and provisions	15,283.61	10,160.84
Cash generated from operations	62,384.47	59,526.97
Taxes paid (net of refunds)	(19,136.69)	(11,908.13)
Net cash generated from operating activities	(A) 43,247.78	47,618.84
Cash flow from investing activities		
Purchase of fixed assets including capital work-in-progress, capital advances and payables for capital goods	(27,134.16)	(18,447.90)
Proceeds from sale of fixed assets	32.71	17.63
Placement of bank deposits	(13,119.18)	(9,193.71)
Purchase of investments	(20.00)	-
Proceeds from sale of associate	10,985.24	11,233.76
Interest received	1,541.89	326.91
Net cash used in investing activities	(B) (27,713.50)	(16,063.31)
Cash flow from financing activities		
Proceeds from issuance of shares	414.50	-
Repayment of borrowings	(10,153.55)	(5,986.36)
(Repayment)/proceeds of short-term borrowings, net	2,960.23	(9,353.54)
Repayment of lease liability (including related interest)	(338.40)	(219.90)
Payment towards Buyback including transaction cost	(17,714.41)	-
Interest paid	(2,627.60)	(2,660.61)
Dividend paid on equity shares including tax thereon	(2,472.08)	(3,065.09)
Net cash used in financing activities	(C) (29,931.31)	(21,285.50)
Net increase/(decrease) in cash and cash equivalents	(A+B+C) (14,397.03)	10,270.03
Effect of exchange differences on translation of foreign currency cash and cash equivalents	(12.27)	20.43
Cash and cash equivalents at the beginning of the year	18,592.89	8,302.43
Cash and cash equivalents at the end of the year	4,183.59	18,592.89

Note: The above Statement of Cash flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'

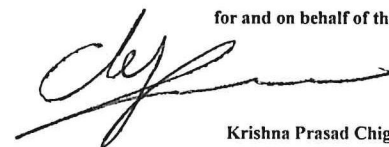


Notes:

- 1 The above consolidated audited financial results for the quarter and year ended March 31, 2021 have been reviewed by the Audit Committee on May 11, 2021 and approved by the Board of Directors at their meeting held on May 11, 2021.
- 2 The consolidated audited 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.
- 3 The subsidiaries considered for the consolidated financial statements for the year ended March 31, 2021 are Granules USA Inc., Granules Pharmaceuticals Inc., Granules Europe Limited and Granules Life Sciences Private Limited (together known as "Subsidiaries").
- 4 The Group operates in one reportable business segment of Pharmaceutical products including ingredients and intermediaries.
- 5 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.
- 6 a) During the year ended March 31, 2020, the Company has 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). The consideration for the divestment was received during the year ended March 31, 2020. 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 consideration for the divestment was received in the month of May, 2020. 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.
- 7 During the year, the Company has allotted 528,608 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).
- 8 During the year ended March 31, 2021, Granules Pharmaceuticals Inc., had 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 remaining 11 batches, which were well below the limit, were recalled by the Company out of caution. The Company has made a provision of Rs 753.01 lakhs (USD 1 million) during the year ended March 31, 2021 on account of failure to supply, anticipated re-call costs and write down of closing inventories. Out of Rs 753.01 lakhs, Rs 538.40 lakhs included in Cost of materials consumed and Rs 214.61 lakhs in other expenses.
- 9 Other income for the year ended March 31, 2021 includes an amount of Rs 1,335.67 lakhs of stimulus money received by the subsidiaries in USA under the CARES Act in the form of forgivable loan after meeting the criteria forgiveness.
- 10 As the out-break continues to evolve, the company will continue to closely monitor any material changes to future economic conditions. Based on the assessment done by the management of the Company, there is no significant / material impact of COVID-19 on the results for the quarter and year ended March 31, 2021 and year ended March 31, 2020.
- 11 During the year ended March 31, 2021, 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.
- 12 The Board of Directors at their meeting held on May 11, 2021 have recommended final dividend of 75 paise per equity share of Re.1/- each in addition to interim dividend of 75 paise per equity share of Re.1/- each paid during the year.
- 13 The figures for the quarters ended March 31, 2021 and 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.
- 14 The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the code becomes effective.
- 15 The figures for the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.
- 16 Standalone results for the quarter / year ended are as under -

Particulars	Rs in lakhs				
	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited	Un-Audited	Audited	Audited	Audited
Revenue from Operations	78,155.12	77,601.12	48,686.99	313,498.24	230,992.83
Profit Before Tax	18,971.25	16,860.42	24,223.90	73,287.02	55,302.60
Profit After Tax	14,225.39	13,105.54	20,175.27	55,278.31	44,406.90

for and on behalf of the Board



Krishna Prasad Chigurupati
Chairman and Managing Director

Place : Hyderabad
Date : May 11, 2021



Press Release

For Immediate Release

FY21 Income from operations show a record growth - up 25% YoY,
EBITDA at INR 855 Cr, up 63% YoY;
PAT at INR 549 cr, up 64% YoY

Hyderabad, 11th May 2021: Granules India Ltd., a vertically integrated pharmaceutical company, today announced its financial results for the fourth quarter and full year ended 31st March 2021.

Q4FY21 Financial Highlights (All numbers in INR Cr except Margins)

CONSOLIDATED FINANCIALS	Q4FY21	Q4FY20	Growth (YoY)
Income from Operations	799	600	33%
Operating Profit	202	100	102%
Operating Profit Margin	25%	17%	
PAT	128	92	38%
Net Profit Margin	16%	15%	

Financial and Business Highlights for Q4FY21

- Income from operations **up 33% YoY**, despite challenges posed by various business scenarios at the backdrop of COVID-19 and logistics disruption, resulting in shortage of raw materials and lower utilization capacities especially in Paracetamol. Growth was driven by new launches and an increase in the market share of existing products. This also compensated for the loss of the MEIS benefit earlier this year.
- EBITDA for the quarter was **up 102% YoY, +860 bps margin expansion** on account of higher sales and volumes over a lower base of the previous year. The low base of the previous year was due to lockdowns and the export ban of Paracetamol.
- PAT for the quarter stood at INR 128 Cr, up 38% YoY.
- During the quarter, launched 2 new products, filed 3 ANDAs, 1 EU dossier and 1 product in Canada.
- We received approvals for 6 ANDAs, 1 EU dossier and 1 Canadian dossier

FY2021 Financial Highlights (All numbers in INR Cr except Margins)

CONSOLIDATED FINANCIALS	FY21	FY20	Growth (YoY)
Income from Operations	3,238	2,599	25%
Operating Profit	855	525	63%
Operating Profit Margin	26%	20%	
PAT	549	335	64%
Net Profit Margin	17%	13%	

Financial and Business Highlights for FY2021

- FY21 income from operations at INR 3,238 Cr, **record growth of 25% YoY**. EBITDA stood at INR 855 Cr, a growth of 63% YoY. EBITDA margins stood at 26%. PAT at INR 549 Cr a growth of 64%.
- Increased market penetration through existing approvals and new product launches contributed to growth in top-line.
- Gross Margins moved mainly on account of higher PFI and FD volumes, which have grown by around 50% over the previous year.
- EBITDA improved mainly on back of higher volumes and new launches. Our operational efficiencies, in combination with our added capacities, have increased our FD volumes by nearly 50% which translated into higher EBITDA. In addition to this, our focus on our product rationalization based on profitability enabled us to achieve this growth.
- During the year, the **Pharmaceutical Formulation Intermediates (PFI) segment grew 49% YoY, Active Pharmaceutical Ingredients (API) segment grew 12% YoY and Finished Dosage (FD) grew 25% YoY.**
- High contribution from FD continues to grow in absolute terms from INR 1,360 Cr in FY20 to INR 1,699 Cr in FY21 up 25% YoY.
- PFI grew 49% YoY from INR 421 Cr in FY20 to INR 626 Cr in FY21, on the back of increased market penetration and addition of new customers.
- API grew 12% YoY due to new customer additions.
- Strong growth momentum witnessed across geographies.
- Withdrawal of the MEIS scheme in H2FY21 had an impact of ~INR 39 Cr on profitability.
- Net Debt down by 5.1% YoY.
- **As of March 2021, Net debt to EBITDA stood at 0.7x vs. 1.2x as of March 2020.**
- **ROCE stood at 30.7%**, up significantly on account of higher capacity utilization. Capacity increases came through quickly via addition of new modules and equipment with limited capital expenditure.
- During the year, launched 12 new products, filed 5 ANDAs, 2 EU dossiers, 3 products in Canada and 1 in South Africa. We also filed 4 US DMFs and 3 CEPs.
- During the year we received approvals for 14 ANDAs, 1 EU dossier and 1 Canadian dossier.
- Expected to invest ~INR 1000 Cr over the next three years. This is a largely in Finished Dosages, the new MUPS facility, expansion of the API facility and maintenance capex.
- In the US, added 800 Mn capacity of solid oral tablets and another form of formulation, on a single shift basis and will be operational by Q1FY22.
- The Board of Directors have recommended final dividend of 75 paise per equity share of Re.1/- each in addition to interim dividend of 75 paise per equity share of Re.1/- each paid during the year.

Commenting on the results, Mr. Krishna Prasad Chigurupati, Chairman & Managing Director of Granules India Limited said, "I am very pleased with the performance across all our segments and geographies during the year. Multiple product launches across portfolios helped us to deliver a record high growth of 25% in sales. We also delivered a strong growth in profit, which is up 64% YoY. Despite unprecedented challenges over the past year, our robust performance demonstrates the unwavering commitment of our colleagues and the



resilience of our business. We are investing for the next phase of growth across all verticals. I remain confident in Granules India's ability to continue to deliver on our stated goals to our stakeholders in FY2022 and thereafter, while remaining steadfast on ensuring the safety of our employees."

Segmental and Geographical Mix for Q4 and FY21 (All numbers in INR Cr)

Segmental Mix	Q4FY21	Q4FY20	FY21	FY20
FD	461	344	1,699	1,360
PFI	144	78	626	421
API	194	178	912	817

Geographical Mix	Q4FY21	Q4FY20	FY21	FY20
North America	456	345	1,745	1,388
Europe	116	86	567	505
Latin America	71	50	292	210
India	108	100	453	380
ROW	49	18	180	116

About Granules India Ltd. (BSE: 532482, NSE: GRANULES)

Granules India Limited, incorporated in 1984 is a vertically integrated fast growing Indian pharmaceutical company headquartered at Hyderabad with best in class facilities and commitment to operational excellence, quality, and customer service. We are among the few pharmaceutical companies in the world to be present in the manufacturing of entire value chain – from Active Pharmaceutical Ingredients (APIs), Pharmaceutical Formulation Intermediates (PFIs) and Finished Dosages (FDs). Our products are being distributed to over 250 customers in regulated and semi-regulated markets with a global presence extending to over 60 countries with offices across India, U.S. and U.K. The Company has 7 manufacturing facilities out of which 6 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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