

**Granules Pharmaceuticals Inc.**  
**Balance Sheet as at March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	35,171	35,151
Capital work-in-progress	3B	1,996	535
Other intangible assets	3C	19,615	22,866
Intangible assets under development	3D	202	1,292
Financial assets			
(i) Investments	4A	2,482	2,482
(ii) Loans	4F	18,618	-
Income tax assets (net)		-	1,891
Other non-current assets	5A	106	614
<b>Total non-current assets</b>		<b>78,190</b>	<b>64,831</b>
<b>Current assets</b>			
Inventories	4E	69,911	82,429
Financial assets			
(i) Trade receivables	4B	28,425	17,462
(ii) Cash and cash equivalents	4C	7,810	12,377
(iii) Bank balances other than cash and cash equivalents stated above	4C	12,832	-
(iv) Other financial assets	4D	2	139
Other current assets	5B	1,115	2,555
<b>Total current assets</b>		<b>1,20,095</b>	<b>1,14,963</b>
<b>Total assets</b>		<b>1,98,285</b>	<b>1,79,793</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	6	4	4
Other equity	7	1,24,990	1,03,431
<b>Total equity</b>		<b>1,24,994</b>	<b>1,03,435</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Deferred tax liabilities (net)	18	1,076	3,762
<b>Total non-current liabilities</b>		<b>1,076</b>	<b>3,762</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	8A	4,041	3,002
(ii) Trade payables	8A	64,351	66,823
(iii) Other financial liabilities	8B	2,799	2,727
Other current liabilities	9	287	45
Current tax liabilities		737	-
<b>Total current liabilities</b>		<b>72,215</b>	<b>72,596</b>
<b>Total equity and liabilities</b>		<b>1,98,285</b>	<b>1,79,793</b>
Material accounting policies	2		
The accompanying notes are an integral part of the Financial Statements.			

**Granules Pharmaceuticals Inc.**

**Statement of Profit and Loss for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Income</b>			
Revenue from operations	10	2,45,024	1,95,626
Other income	11	439	41
<b>Total income</b>		<b>2,45,463</b>	<b>1,95,667</b>
<b>Expenses</b>			
Cost of materials consumed	12	1,28,603	1,45,730
Changes in inventory of work-in-progress and finished goods	13	11,568	(22,067)
Employee benefits expense	14	21,305	18,079
Depreciation and amortisation expense	15	6,675	6,004
Finance costs	16	3,179	2,772
Other expenses	17	45,795	35,728
<b>Total expenses</b>		<b>2,17,125</b>	<b>1,86,245</b>
<b>Profit before tax</b>		<b>28,338</b>	<b>9,422</b>
<b>Tax expense</b>			
(i) Current tax	18	8,798	1,633
(ii) Deferred tax	18	(2,687)	697
<b>Total Tax expense</b>		<b>6,111</b>	<b>2,330</b>
<b>Profit for the year</b>		<b>22,227</b>	<b>7,092</b>
<b>Other comprehensive income (OCI)</b>			
Items that will be reclassified to profit or loss		-	-
Items that will not reclassified subsequently to profit or loss		-	-
<b>Other comprehensive income for the year</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>22,227</b>	<b>7,092</b>
<b>Earnings per share:</b>			
<b>Equity shares of par value of USD 1 each</b>	19		
Basic EPS		5,317	1,697
Diluted EPS		5,317	1,664
Material accounting policies	2		
The accompanying notes are an integral part of these Financial Statements.			

**Granules Pharmaceuticals Inc.****Statement of Changes in Equity for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**Equity share capital**

<b>Particulars</b>	<b>Balance at the beginning of the year</b>	<b>Shares issued during the year</b>	<b>Shares bought back during the year</b>	<b>Balance at the end of the year</b>
<b>March 31, 2025</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>
<b>March 31, 2024</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>4</b>

**Other Equity**

<b>Particulars</b>	<b>Reserves and surplus</b>			<b>Total other Equity</b>
	<b>Securities Premium</b>	<b>Employee Stock Option Outstanding</b>	<b>Retained Earnings</b>	
<b>Balance at the beginning of the previous year</b>	<b>80,899</b>	<b>668</b>	<b>14,772</b>	<b>96,338</b>
Profit for the year	-	-	7,092	7,092
<b>Balance at the end of the previous year</b>	<b>80,899</b>	<b>668</b>	<b>21,864</b>	<b>1,03,431</b>
Settlement of employee stock options (refer note 21)	-	(668)	-	(668)
Profit for the year	-	-	22,227	22,227
<b>Balance at the end of the current year</b>	<b>80,899</b>	<b>-</b>	<b>44,091</b>	<b>1,24,990</b>

The accompanying notes are an integral part of these Financial Statements.

**Granules Pharmaceuticals Inc.****Statement of Cash Flow for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Cash flow from/ (used in) operating activities</b>		
<b>Net profit before tax</b>	<b>28,338</b>	<b>9,422</b>
Adjustments for:		
Depreciation and amortisation	6,675	6,004
Loss on sale of property, plant and equipment (net)	77	-
Finance costs	3,179	2,772
Interest income	(219)	-
<b>Operating profit before working capital changes</b>	<b>38,050</b>	<b>18,198</b>
Movements in working capital:		
(Increase) in trade receivables	(10,963)	(9,605)
Decrease/ (Increase) in inventories	12,518	(20,261)
Increase in other financial and non financial assets	(11,255)	(1,160)
Decrease/(Increase) in trade payables and other financial & non financial liabilities	(2,158)	24,614
<b>Cash generated from operations</b>	<b>26,192</b>	<b>11,787</b>
Direct taxes paid (net of refunds)	(6,170)	(3,647)
<b>Net cash flows generated from operating activities (A)</b>	<b>20,022</b>	<b>8,140</b>
<b>Cash flow (used in)/ from investing activities</b>		
Purchase of property, plant and equipment and intangible assets, including capital work-in-progress, intangible assets under development, capital advances and capital creditors	(3,404)	(2,415)
Proceeds from sale of property, plant and equipment	21	-
Loan given	(29,300)	-
Loan recovered	10,900	-
Interest received	-	-
<b>Net cash flows (used in) investing activities (B)</b>	<b>(21,783)</b>	<b>(2,415)</b>
<b>Cash flow (used in)/ from financing activities</b>		
Employee stock option buyback	(667)	-
Proceeds from current borrowings	1,000	-
Finance cost paid	(3,140)	(2,770)
<b>Net cash flows (used in) financing activities (C)</b>	<b>(2,807)</b>	<b>(2,770)</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>(4,567)</b>	<b>2,956</b>
Cash and cash equivalents at the beginning of the year	12,377	9,422
<b>Cash and cash equivalents at the end of the year</b>	<b>7,810</b>	<b>12,377</b>
<b>Components of cash and cash equivalents:</b>		
Balances with banks		
In current accounts	7,810	12,377
<b>Total cash and cash equivalents (Refer note 4C)</b>	<b>7,810</b>	<b>12,377</b>

**Granules Pharmaceuticals Inc.**  
**Statement of Cash Flow for the year ended March 31, 2025**  
(All amounts are in USD thousands except share data and unless otherwise stated)

Changes in liabilities arising from financing activities	Borrowings - Current (including interest accrued) (Refer note 8A)
Opening as on March 31, 2023	3,000
Finance costs	2,772
Finance costs paid	(2,770)
Closing as on March 31, 2024	3,002
Proceeds from borrowing during the year	1,000
Finance costs	3,179
Finance costs paid	(3,140)
Closing as on March 31, 2025	4,041

The above statement of cash flow has been prepared under the “Indirect Method” as set out in the Indian Accounting Standard (Ind AS-7) - "Statement of Cash Flows".

The accompanying notes are an integral part of these Financial Statements.

**Granules Pharmaceuticals Inc.**

**Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**3A. Property, plant and equipment - Reconciliation of carrying amount**

Particulars	Freehold land	Freehold buildings	Plant and machinery	Computers	Office equipment	R&D Equipment	Furniture and fittings	Vehicles	Total
<b>Gross carrying amount</b>									
<b>At March 31, 2023</b>	<b>2,609</b>	<b>19,558</b>	<b>18,902</b>	<b>586</b>	<b>186</b>	<b>166</b>	<b>246</b>	<b>42</b>	<b>42,295</b>
Additions	-	133	2,148	62	-	26	40	-	2,409
Disposals	-	-	-	-	-	-	-	-	-
<b>At March 31, 2024</b>	<b>2,609</b>	<b>19,691</b>	<b>21,050</b>	<b>648</b>	<b>186</b>	<b>192</b>	<b>286</b>	<b>42</b>	<b>44,704</b>
Additions	-	420	1,471	95	-	373	55	-	2,414
Disposals	-	-	(146)	-	-	-	-	-	(146)
<b>At March 31, 2025</b>	<b>2,609</b>	<b>20,110</b>	<b>22,375</b>	<b>743</b>	<b>186</b>	<b>565</b>	<b>341</b>	<b>42</b>	<b>46,971</b>
<b>Accumulated Depreciation</b>									
<b>At March 31, 2023</b>	<b>-</b>	<b>2,551</b>	<b>4,204</b>	<b>279</b>	<b>22</b>	<b>85</b>	<b>100</b>	<b>35</b>	<b>7,277</b>
Depreciation for the year	-	545	1,568	82	37	19	21	4	2,276
Disposals	-	-	-	-	-	-	-	-	-
<b>At March 31, 2024</b>	<b>-</b>	<b>3,097</b>	<b>5,771</b>	<b>361</b>	<b>58</b>	<b>104</b>	<b>122</b>	<b>39</b>	<b>9,553</b>
Depreciation for the year	-	655	1,465	95	37	12	30	2	2,295
Disposals	-	-	(48)	-	-	-	-	-	(48)
<b>At March 31, 2025</b>	<b>-</b>	<b>3,752</b>	<b>7,188</b>	<b>456</b>	<b>95</b>	<b>116</b>	<b>152</b>	<b>41</b>	<b>11,800</b>
<b>Net carrying amount</b>									
<b>At March 31, 2024</b>	<b>2,609</b>	<b>16,594</b>	<b>15,279</b>	<b>288</b>	<b>127</b>	<b>88</b>	<b>164</b>	<b>2</b>	<b>35,151</b>
<b>At March 31, 2025</b>	<b>2,609</b>	<b>16,359</b>	<b>15,187</b>	<b>287</b>	<b>91</b>	<b>449</b>	<b>189</b>	<b>0</b>	<b>35,171</b>

i) The Company has not revalued its property, plant and equipment during the current or previous year.

ii) For contractual commitments refer note 20.

**3B. Capital work-in-progress**

<b>At March 31, 2025</b>	<b>1,996</b>
At March 31, 2024	535

**Movement during the year**

Particulars	Amount
<b>At March 31, 2023</b>	<b>1,143</b>
Additions during the year	1,801
Capitalised during the year	(2,409)
<b>At March 31, 2024</b>	<b>535</b>
Additions during the year	3,874
Capitalised during the year	(2,414)
<b>At March 31, 2025</b>	<b>1,996</b>

**Ageing Schedule for Capital work-in-progress as below**

Particulars	March 31, 2025					March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	>3 years	Total	Less than 1 year	1-2 years	2-3 years	>3 years	Total
Projects in progress	561	1,380	56	-	1,996	280	227	29	-	535
<b>Total</b>	<b>561</b>	<b>1,380</b>	<b>56</b>	<b>-</b>	<b>1,996</b>	<b>280</b>	<b>227</b>	<b>29</b>	<b>-</b>	<b>535</b>

i) Projects in progress are neither overdue nor exceeds its cost when compared to its original plan during the current or previous year.

ii) For contractual commitments refer note 20.

**Granules Pharmaceuticals Inc.**

**Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**3C. Intangible assets - Reconciliation of carrying amount**

Particulars	Software	Marketing Rights	Product and other related intangibles	Total
<b>Gross carrying amount</b>				
<b>At March 31, 2023</b>	<b>243</b>	<b>950</b>	<b>41,924</b>	<b>43,117</b>
Additions	34	-	-	34
Disposals	-	-	-	-
<b>At March 31, 2024</b>	<b>278</b>	<b>950</b>	<b>41,924</b>	<b>43,151</b>
Additions	66	-	1,063	1,130
Disposals	-	-	-	-
<b>At March 31, 2025</b>	<b>344</b>	<b>950</b>	<b>42,987</b>	<b>44,281</b>
<b>Accumulated amortisation</b>				
<b>At March 31, 2023</b>	<b>112</b>	<b>665</b>	<b>15,781</b>	<b>16,557</b>
Amortisation for the year	42	4	3,682	3,728
Disposals	-	-	-	-
<b>At March 31, 2024</b>	<b>154</b>	<b>670</b>	<b>19,462</b>	<b>20,285</b>
Amortisation for the year	68	20	4,292	4,380
Disposals	-	-	-	-
<b>At March 31, 2025</b>	<b>222</b>	<b>690</b>	<b>23,754</b>	<b>24,666</b>
<b>Net carrying amount</b>				
<b>At March 31, 2024</b>	<b>124</b>	<b>280</b>	<b>22,461</b>	<b>22,866</b>
<b>At March 31, 2025</b>	<b>122</b>	<b>260</b>	<b>19,233</b>	<b>19,615</b>

i) The Company has not revalued its intangible assets during the current or previous year.

**3D. Intangibles under development**

Particulars	Amount
<b>At March 31, 2023</b>	<b>1,261</b>
Additions during the year	65
Capitalised during the year	(34)
<b>At March 31, 2024</b>	<b>1,292</b>
Additions during the year	40
Capitalised during the year	(1,130)
<b>At March 31, 2025</b>	<b>202</b>

**Ageing Schedule for Intangible under development as below**

Particulars	March 31, 2025					March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	21	-	180	-	202	21	180	27	1,063	1,292
<b>Total</b>	<b>21</b>	<b>-</b>	<b>180</b>	<b>-</b>	<b>202</b>	<b>21</b>	<b>180</b>	<b>27</b>	<b>1,063</b>	<b>1,292</b>

i) Projects in progress are neither overdue nor exceeds its cost when compared to its original plan during the current or previous year.

**Granules Pharmaceuticals Inc.**
**Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**4. Financial Assets**
**4A. Investments - Non-current**

Particulars	March 31, 2025	March 31, 2024
<i>In Unquoted equity shares - Others (Fair Value through OCI)</i>		
In US Pharma Limited - 410.52 (March 31, 2024: 410.52) equity shares	2,482	2,482
<b>Total</b>	<b>2,482</b>	<b>2,482</b>
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate value of unquoted investments	2,482	2,482

**4B. Trade receivables**

Particulars	March 31, 2025	March 31, 2024
Unsecured, considered good	28,425	17,462
<b>Total</b>	<b>28,425</b>	<b>17,462</b>

Trade receivables are non-interest bearing and are generally on terms of less than 1 year.

The Company's exposure to credit and currency risks, and loss allowances related to trade receivables are disclosed in Note 24.

Refer note 21 for trade receivables from related parties.

**Ageing Schedule for Trade receivables as below**
**As at March 31, 2025**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 months	6 months -1 year	1-2 Years	2-3 years	> 3 years	
(i) Undisputed Trade receivables - considered good	26,846	1,177	175	-	-	-	28,198
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	8	2	47	170	227
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>26,846</b>	<b>1,177</b>	<b>183</b>	<b>2</b>	<b>47</b>	<b>170</b>	<b>28,425</b>

**As at March 31, 2024**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	< 6 months	6 months -1 year	1-2 Years	2-3 years	> 3 years	
(i) Undisputed Trade receivables - considered good	13,945	2,564	329	-	-	-	16,838
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	376	51	196	1	624
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	<b>13,945</b>	<b>2,564</b>	<b>705</b>	<b>51</b>	<b>196</b>	<b>1</b>	<b>17,462</b>

**4C. Cash and cash equivalents**

Particulars	March 31, 2025	March 31, 2024
<b>Balance with banks:</b>		
In current accounts	7,810	12,377
<b>Total</b>	<b>7,810</b>	<b>12,377</b>

Particulars	March 31, 2025	March 31, 2024
<b>Bank balances other than cash and cash equivalents stated above</b>		
Balance in escrow account	12,832	-
<b>Total</b>	<b>12,832</b>	<b>-</b>

The Company's exposure to currency risks are disclosed in note 24



**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**4D. Other financial assets - current**

Particulars	March 31, 2025	March 31, 2024
Security deposit	2	2
Other receivables	-	137
<b>Total</b>	<b>2</b>	<b>139</b>

**4E. Inventories (at lower of cost or net realisable value)**

Particulars	March 31, 2025	March 31, 2024
Raw materials	9,185	9,370
Packing materials	1,197	1,962
Work-in-Progress	5,597	3,618
Finished goods [includes finished goods-in-transit USD 19,309 thousands (March 31, 2024 - USD 27,961 thousands)]	53,932	67,479
<b>Total</b>	<b>69,911</b>	<b>82,429</b>

**4F. Loans - non current**

Particulars	March 31, 2025	March 31, 2024
Loan to related party (refer note 21)	18,618	-
<b>Total</b>	<b>18,618</b>	<b>-</b>

During the year ended March 31, 2025, the Company has given a loan of \$18,400 thousand to Granules Consumer Health at an interest rate of 4.57% p.a. given for general costs and expenses directly associated with the operations.

**5. Other assets****5A. Other non-current assets (Unsecured, considered good)**

Particulars	March 31, 2025	March 31, 2024
Capital advances	106	614
<b>Total</b>	<b>106</b>	<b>614</b>

**5B. Other current assets (Unsecured, considered good)**

Particulars	March 31, 2025	March 31, 2024
Prepaid expenses	959	655
Advance to material suppliers	156	1,830
Others	-	70
<b>Total</b>	<b>1,115</b>	<b>2,555</b>

**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**6. Share capital****6A Equity share capital**

Particulars	March 31, 2025	March 31, 2024
<b>Authorized share capital</b>		
10,000 equity shares of USD 1 each	10	10
	<b>10</b>	<b>10</b>
<b>Issued, subscribed and fully paid up</b>		
4,180 fully paid up equity shares of USD 1 each	4	4
(March 31, 2024 : 4,180 equity shares of USD 1 each)		
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>4</b>	<b>4</b>

**6B Reconciliation of shares outstanding**

Particulars	March 31, 2025		March 31, 2024	
	No.	USD	No.	USD
At the beginning of the year	4,180	4	4,180	4
Add: Shares issued	-	-	-	-
<b>Number of shares at the end of the year</b>	<b>4,180</b>	<b>4</b>	<b>4,180</b>	<b>4</b>

**6C Terms/rights attached to equity shares**

1. The Company has only one class of equity shares having a par value of USD 1 per share.
2. Each holder of equity shares is entitled to one vote per share.
3. The Company has not declared any dividend during the year ended March 31, 2025 and March 31, 2024.
4. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**6D Details of shareholders holding more than 5% equity shares in the Company**

Particulars	March 31, 2025		March 31, 2024	
	Numbers	% holding	Numbers	% holding
Granules India Limited	4,180	100%	4,180	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

**7. Other equity****Securities premium reserve**

Securities premium represents premium received on issue of shares. (Refer statement of changes in equity)

**Retained earnings**

The amount that can be distributed by the Company as dividends to its equity shareholders (Refer statement of changes in equity)

Particulars	March 31, 2025	March 31, 2024
Securities premium	80,899	80,899
Employee stock option outstanding	-	667
Retained earnings	44,091	21,864
<b>Total</b>	<b>1,24,990</b>	<b>1,03,431</b>

**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**8. Financial liabilities****8A. Current borrowings (Unsecured)**

Particulars	March 31, 2025	March 31, 2024
Loan from bank including interest accrued	4,041	3,002
<b>Total</b>	<b>4,041</b>	<b>3,002</b>

Note:

- i) Under a line of credit agreement (the “agreement”) with a bank, the Company has available facility of USD 4,000 thousands and is completely utilised.  
ii) The interest rate as per the agreement was stipulated at 1.05% plus the applicable reference rate per annum - 5.7% to 5.8% (March 31, 2024 - 5.92% to 6.40%)  
iii) The loan is repayable on earlier of Dec 31, 2025 or on demand.  
iv) The Company has not defaulted on payment of principal and interest thereon on the above loan.  
v) Refer to note 24 for liquidity risk and interest rate risk.

**8A. Trade payables**

Particulars	March 31, 2025	March 31, 2024
Trade payables (refer below)	64,351	66,823
<b>Total</b>	<b>64,351</b>	<b>66,823</b>

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 24.

Refer note 21 for trade payables to related parties.

**Ageing Schedule for Trade payables as below:****As on March 31, 2025**

Particulars	Outstanding for following periods from due date of payment				
	less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
i) MSME	-	-	-	-	-
ii) Others	64,286	-	-	65	64,351
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-others	-	-	-	-	-

**As on March 31, 2024**

Particulars	Outstanding for following periods from due date of payment				
	less than 1 year	1-2 Years	2-3 Years	More than 3 years	Total
i) MSME	-	-	-	-	-
ii) Others	66,758	-	-	65	66,823
iii) Disputed dues-MSME	-	-	-	-	-
iv) Disputed dues-others	-	-	-	-	-

**8B. Other financial liabilities**

Particulars	March 31, 2025	March 31, 2024
Employee benefits payable	2,799	2,727
<b>Total</b>	<b>2,799</b>	<b>2,727</b>

**9. Other current liabilities**

Particulars	March 31, 2025	March 31, 2024
Statutory dues	287	45
<b>Total</b>	<b>287</b>	<b>45</b>

**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**10. Revenue from operations**

<b>Particulars</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
Sale of products	2,45,024	1,95,476
Other operating revenue	-	150
<b>Total</b>	<b>2,45,024</b>	<b>1,95,626</b>

The operations of the Company are limited to one segment viz. pharmaceuticals products. Revenue from contract with customers is from sale of manufactured goods. Sale of goods are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon delivery.

The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. There is no significant financing component as the credit period provided by the Company is not significant.

Variable components such as chargebacks, rebates, discounts, returns and other related charges continues to be recognised as deductions from revenue in compliance with Ind AS 115.

Refer note 21 for transactions with related parties

**Reconciliation of Revenue recognised with contract price**

	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
Revenue as per the contracted price	5,89,056	4,40,108
<i>Adjusted for :</i>		
Chargebacks	(2,75,693)	(1,91,970)
Rebates, fees and discounts	(66,060)	(47,258)
Sales returns	(2,279)	(5,404)
<b>Total revenue from contracts with customers</b>	<b>2,45,024</b>	<b>1,95,476</b>

The following table shows the distribution of the Company's revenue (excluding other operating income) by Region-wise, based on the location of the customers:

Revenue from sale of products is recognised at point in time as the goods are transferred.

<b>Region</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
United States of America	2,41,378	1,93,014
India	3,646	2,461
<b>Total revenue from contracts with customers</b>	<b>2,45,024</b>	<b>1,95,476</b>

**Details of contract balances:**

<b>Particulars</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Trade receivables (refer note 4B)	28,425	17,462

**11. Other income**

<b>Particulars</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
Interest income (refer note 21)	219	-
Foreign exchange gain (net)	135	-
Miscellaneous income	85	41
<b>Total</b>	<b>439</b>	<b>41</b>

**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**12. Cost of materials consumed**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventory at the beginning of the year	11,332	13,134
Add: Purchases	1,27,654	1,43,928
	<b>1,38,985</b>	<b>1,57,061</b>
Less: Inventory at the end of the year	(10,382)	(11,332)
<b>Total</b>	<b>1,28,603</b>	<b>1,45,730</b>

**13. Changes in inventory of work-in-progress and finished goods**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Inventories at the end of the year (A)</b>		
Finished goods	53,932	67,479
Work-in-progress	5,597	3,618
	<b>59,529</b>	<b>71,097</b>
<b>Inventories at the beginning of the year (B)</b>		
Finished goods	67,479	42,196
Work-in-progress	3,618	6,834
	<b>71,097</b>	<b>49,031</b>
<b>Changes in inventory of work-in-progress and finished goods (B- A)</b>	<b>11,568</b>	<b>(22,067)</b>

**14. Employee benefits expense**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	21,025	17,821
Staff welfare expenses	280	258
<b>Total</b>	<b>21,305</b>	<b>18,079</b>

**15. Depreciation and amortisation**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation	2,295	2,276
Amortisation	4,380	3,728
<b>Total</b>	<b>6,675</b>	<b>6,004</b>

**16. Finance costs**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on working capital	137	191
Other finance charges	2,999	2,557
Bank charges	43	25
<b>Total</b>	<b>3,179</b>	<b>2,772</b>

**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**17. Other expenses**

<b>Particulars</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
Carriage outwards and clearing charges	11,365	9,703
Research and development expenses*	7,707	7,937
Conversion charges	3,968	3,323
Repairs and maintenance:		
- Plant and machinery	1,543	2,022
- Buildings	259	81
- Office maintenance	116	96
- Others	929	346
Consultancy charges	4,374	2,775
Technical and manufacturing know how fees (refer note 21)	4,325	-
Management support services (refer note 21)	3,244	-
Insurance	1,771	1,377
Consumables and lab chemicals	1,547	1,522
Commercial expenses	804	2,926
Rates and taxes	1,228	888
Power and fuel	816	771
Effluent treatment expenses	603	274
Membership & subscription expenses	295	353
Travelling and conveyance	353	348
Communication expenses	120	122
Business promotion expense	191	183
Printing and stationery	50	49
Remuneration to auditors	41	31
Loss on sale of property, plant and equipment (net)	77	-
Miscellaneous expenses	69	599
<b>Total</b>	<b>45,795</b>	<b>35,728</b>

**\* Details of research and development expenses incurred during the year is given below:**

<b>Particulars</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
Capital	-	-
<b><u>Revenue (included above)</u></b>		
Cost of materials consumed	1,021	1,169
Employee benefit expenses	3,464	3,808
Other expenses		
- Analytical fees	376	157
- ANDA Filing fees	574	745
- Other research and development expenses	2,271	2,058
<b>Total</b>	<b>7,707</b>	<b>7,937</b>

**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**18. Tax expense****18A Income tax expense:**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax	8,798	1,633
Deferred tax	(2,687)	697
<b>Total tax expense recognised in statement of profit &amp; loss account</b>	<b>6,111</b>	<b>2,330</b>

**18B Reconciliation of income tax expense and the accounting profit multiplied by the Company's domestic tax rate:**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Profit before tax</b>	<b>28,338</b>	<b>9,422</b>
Income tax expense calculated at 21%	5,952	1,979
Effect of expenses that is non-deductible in determining taxable profit	(5)	5
Effect of tax incentives and concessions (research and development and other allowances)	(735)	-
Changes in estimates related to prior years	283	201
State taxes	926	132
Adjustments recognised in the current year in relation to the current tax of prior years	(309)	13
<b>Income tax expense recognised in statement of profit and loss</b>	<b>6,111</b>	<b>2,330</b>

The tax rate used for March 31, 2025 reconciliation above is the corporate federal tax rate of 21% payable by corporate entities in United States on taxable profits under US Tax Laws.

**Granules Pharmaceuticals Inc.**

**Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**18C Movement in deferred tax balances for the year ended March 31, 2025**

Particulars	As at April 01, 2024	Recognised in profit and loss	As at March 31, 2025
<b>Tax effect of items constituting deferred tax liabilities</b>			
Property, plant and equipment	(3,592)	14	(3,578)
Intangible assets	(5,574)	1,022	(4,551)
Forex gain/loss	-	(32)	(32)
	<b>(9,166)</b>	<b>1,005</b>	<b>(8,161)</b>
<b>Tax effect of items constituting deferred tax assets</b>			
Employee benefits	480	(25)	455
Provisions	1,635	368	2,003
IRC 267 disallowance	-	1,024	1,024
IRC 174 cost	1,951	1,067	3,018
Inventory - UNICAP 263A	1,338	(752)	586
	<b>5,404</b>	<b>1,682</b>	<b>7,086</b>
<b>Net deferred tax liabilities</b>	<b>(3,762)</b>	<b>2,687</b>	<b>(1,076)</b>

**18C Movement in deferred tax balances for the year ended March 31, 2024**

Particulars	As at April 01, 2023	Recognised in profit and loss	As at March 31, 2024
<b>Tax effect of items constituting deferred tax liabilities</b>			
Property, plant and equipment	(3,447)	(145)	(3,592)
Intangible assets	(6,499)	926	(5,574)
	<b>(9,947)</b>	<b>781</b>	<b>(9,166)</b>
<b>Tax effect of items constituting deferred tax assets</b>			
Employee benefits	365	115	480
Provisions	775	860	1,635
Research and development credit	2,171	(2,171)	-
Carryforward tax loss	2,605	(2,605)	-
Charitable contribution carryforward	4	(4)	-
IRC 174 cost	583	1,367	1,951
Inventory - UNICAP 263A	378	960	1,338
	<b>6,881</b>	<b>(1,478)</b>	<b>5,404</b>
<b>Net deferred tax liabilities</b>	<b>(3,065)</b>	<b>(697)</b>	<b>(3,762)</b>



**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**19. Earning per equity share**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Profit for the year</b>	<b>22,227</b>	<b>7,092</b>
Weighted average number of shares for computing of basic EPS	4,180	4,180
Add: Effect of dilution		
Effect of dilution on account of Employee Stock Options granted	-	82
Weighted average number of shares for computing diluted EPS	4,180	4,262
<b>Earnings per share</b>		
- Basic (in USD)	5,317	1,697
- Diluted (in USD)	5,317	1,664

**20. Contingent liabilities and commitments**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>(i) Contingent liabilities:</b>		
Stand by Letter of Credit (refer note below)	436.06	Nil
Claims against the Company not acknowledged as debts	Nil	Nil

Note: MUG Bank Ltd has issued Standby Letter of Credit (SBLC) facility of USD 1 million on behalf of the Company to Senn Chemicals AG for the procurement of raw materials and capital expenditure. The amount utilised under the said SBLC as at March 31, 2025 is USD 436.06 thousands.

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that there are no material foreseeable losses on such long term contracts which needs to be provided for in the books of account.

**(ii) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	2,350	985
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**Ongoing litigations as of March 31, 2025:**

1. During the year 2019-20, the Company received a class action suit from a plaintiff stating that one of the products of the Company – Metformin had a carcinogenic element. However, the USFDA obtained test results from the Company and issued a clean report. As of March 31, 2025, the litigation is active. The legal attorney is unable to state that an outcome unfavorable to the Company is either probable or remote, nor they are in a position to provide an estimate of the amount or range of potential loss in the event of an unfavorable outcome.

2. This breach of contract matter arises out of a March 13, 2019 construction agreement between plaintiff, Tri Window Guys, LLC (“TWG”) and Granules Pharmaceuticals Inc. (“GPI”). TWG has also set forth tortious interference and fraudulent inducement claims. Defendants, GPI, Karthikeyan Kumarasamy and Vijay Ramanavarapu, have answered Plaintiff's first amended complaint, filed counterclaims and filed a third party complaint. Defendants have propounded written discovery demands upon TWG, which are not yet due. GPI Management is aggressively defending this action and as indicated above has filed both counterclaims and third party claims relative to the contract and construction at issue.

**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**21. Related party disclosures****i) List of related parties and relationship:**

<b>Name of the related party</b>	<b>Relationship</b>
Granules India Limited	Holding Company
Granules USA, Inc.	Subsidiary of the Holding Company
Granules Europe Limited	Subsidiary of the Holding Company

**Key managerial personnel:**

Dr. Krishna Prasad Chigurupati	Chairman
Ms. Priyanka Chigurupati	Director
Mr. Vijay Ramanavarapu	Director
Mr. Kamal mandan (from December 18, 2023)	Director and Chief Financial Officer
Mr. Arun Sawhney (from December 18, 2023)	Director

**ii) Transactions during the year:**

<b>Particulars</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
<b>a) Holding Company &amp; its related parties</b>		
<b>i) Granules India Limited</b>		
Purchase of goods	94,503	1,16,109
Reimbursement of expenses	190	123
Recovery of expenses	1,131	1,076
Service provided/Sale of Goods	3,646	2,461
Techinial know how and Management Services	7,569	-
<b>ii) Granules USA, Inc.</b>		
Purchase of goods	4,621	4,657
Reimbursement of expenses	1,315	1,552
Recovery of expenses	327	577
Sale of goods	299	381
Loan given	29,300	1,800
Loan recovered	10,900	1,800
Interest on loan given	219	-
<b>ii) Granules Europe Limited.</b>		
Reimbursement of expenses	89	127
<b>c) Transactions with key managerial personnel or their relatives</b>		
<b>i) Ms.Priyanka Chigurupati</b>		
Remuneration paid including bonus	-	331
Settlement of employee stock options	668	-
<b>ii) Mr. Kamal Mandan</b>		
Remuneration paid including bonus	556	509

**iii) Closing balance:**

<b>Particulars</b>	<b>For the year ended March 31, 2025</b>	<b>For the year ended March 31, 2024</b>
<b>a) Holding Company &amp; its related parties</b>		
<b>i) Granules India Limited</b>		
Trade payables	50,686	59,639
Other payables	190	123
Trade receivables	1,581	992
Other receivables	682	1,429
<b>ii) Granules USA, Inc.</b>		
Trade payables	838	2,170
Trade receivables	423	598
Loan given (including interest)	18,619	-

**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**22. Share based payments****Granules Pharmaceuticals Inc. 2018 Equity Compensation Plan (GPI 2018 ESOP Scheme)**

Pursuant to the decision of the shareholders at their meeting held on May 24, 2018, the Company has formulated a Granules Pharmaceuticals Inc. 2018 Equity Compensation Plan (GPI 2018 ESOP Scheme) to be administered by the Board of Directors. Under the Plan, options not exceeding 10% of issued capital have been reserved to be issued to the eligible directors and employees with each option conferring a right upon the Optionee to apply for one equity share. The Exercise Price per Option shall be not less than 100% of the Fair Market Value of the Share available on the date of the grant. The options granted under the Plan shall start vesting in four equal tranches after one year from the date of grant, over a four year period.

The Black-Scholes-Merton model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. In respect of exercise price of options granted, the expected term of an option (or "option life") is estimated based on the vesting term, contractual term, as well as expected exercise behavior of the employees receiving the option. In respect of fair market value of the options granted, the option life is estimated based on the simplified method. Expected volatility of the option is based on historical volatility, of the observed market prices of the Company's publicly traded equity shares. Dividend yield of the options is based on recent dividend activity. Risk-free interest rates are based on the government securities yield in effect at the time of the grant. These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control.

The details of activity under the Scheme are summarised below :

Particulars	For the year ended March 31, 2025			
	No of options	Exercise price per option (in USD)	Weighted Average exercise price per option (in USD)	Weighted Average remaining useful life (months)
<b>Options outstanding at the beginning of the year</b>	<b>82</b>	<b>19,149</b>	<b>19,149</b>	<b>27</b>
Add : Granted during the year	-	-	-	-
Less: Exercised during the year*	(38)	-	-	-
Less: Lapsed/Cancelled during the year	(44)	-	-	-
<b>At the end of the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Exercisable at the end of the year	-	-	-	-

\* Represents Settlement of employee stock options (refer note 21)

Particulars	For the year ended March 31, 2024			
	No of options	Exercise price per option (in USD)	Weighted Average exercise price per option (in USD)	Weighted Average remaining useful life (months)
<b>Options outstanding at the beginning of the year</b>	<b>82</b>	<b>19,149</b>	<b>19,149</b>	<b>39</b>
Add : Granted during the year	-	-	-	-
Less: Exercised during the year	-	-	-	-
Less: Lapsed/Cancelled during the year	-	-	-	-
<b>At the end of the year</b>	<b>82</b>	<b>19,149</b>	<b>19,149</b>	<b>27</b>
Exercisable at the end of the year	82	19,149	19,149	27

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Assumptions	
Date of Grant	May 07, 2018
Dividend yield	0%
Expected volatility	33%
Risk-free interest rate	3%
Weighted average share price (USD)	19,210
Exercise price (USD)	19,149
Expected life of options granted in years	5.25

The estimated fair value of stock options is charged to profit or loss account:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Employee stock option scheme	-	-

**23. Fair values**  
The management assessed that loans, cash and cash equivalents, borrowings, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.  
The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**Fair valuation measurement hierarchy**  
The following table shows the carrying amounts and fair values of financial assets and liabilities including their levels of fair value hierarchy:

As at March 31, 2025							
Particulars	Carrying amount				Fair Value		
	Mandatorily at fair value through profit and loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Assets/ liabilities at amortised cost method	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>i) Financial assets</b>							
<b>a) Financial assets not measured at fair value</b>							
Non-current investments	-	-	2,482	2,482	-	2,482	-
Trade receivables	-	-	28,425	28,425	-	-	-
Non-current loans	-	-	18,618	18,618	-	-	-
Cash and cash equivalents	-	-	7,810	7,810	-	-	-
Bank balances other than cash and cash equivalents	-	-	12,832	12,832	-	-	-
Other current financial assets	-	-	2	2	-	-	-
	-	-	70,169	70,169	-	2,482	-
<b>ii) Financial liabilities</b>							
<b>a) Financial liabilities not measured at fair value</b>							
Current borrowings	-	-	4,041	4,041	-	-	-
Trade payables	-	-	64,351	64,351	-	-	-
Other current financial liabilities	-	-	2,799	2,799	-	-	-
	-	-	71,191	71,191	-	-	-
As at March 31, 2024:							
Particulars	Carrying amount				Fair Value		
	Mandatorily at fair value through profit and loss (FVTPL)	Fair value through other comprehensive income (FVOCI)	Assets/ liabilities at amortised cost method	Total carrying amount	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>i) Financial assets</b>							
<b>a) Financial assets not measured at fair value</b>							
Non-current investments	-	-	2,482	2,482	-	2,482	-
Trade receivables	-	-	17,462	17,462	-	-	-
Cash and cash equivalents	-	-	12,377	12,377	-	-	-
Other current financial assets	-	-	139	139	-	-	-
	-	-	32,460	32,460	-	2,482	-
<b>ii) Financial liabilities</b>							
<b>a) Financial liabilities not measured at fair value</b>							
Current borrowings	-	-	3,002	3,002	-	-	-
Trade payables	-	-	66,823	66,823	-	-	-
Other current financial liabilities	-	-	2,727	2,727	-	-	-
	-	-	72,552	72,552	-	-	-

**Granules Pharmaceuticals Inc.**  
**Notes to Financial Statements for the year ended March 31, 2025**  
(All amounts are in USD thousands except share data and unless otherwise stated)  
**24. Financial risk management**

**Framework**  
The Company is exposed primarily to Credit Risk, Liquidity Risk and Market risk (fluctuations in foreign currency exchange rates and interest rate), which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

**Credit Risk**  
Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits, loans given and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables.

Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statements of financial position whether a financial asset or a group of financial assets is impaired. Expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Before accepting any new customer, the Company uses an external/internal credit scoring system to assess the potential customer's credit quality and defines credit limits of customer. Limits and scoring attributed to customers are reviewed at periodic intervals. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix.

**Exposure to credit risk:**  
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk as at March 31, 2025 is USD 49,528 thousands (March 31, 2024 - USD 20,083 thousands), being the total of the carrying amount of balances with trade receivables, loans, investments and other financial assets.

**Liquidity Risk**  
Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2025:

Particulars	Carrying value	Payable on demand	Less than 1 year	1-2 years	2-5 years	5-8 years	Total
Current borrowings	4,041	4,041	-	-	-	-	-
Trade payables	64,351	-	64,351	-	-	-	64,351
Other financial liabilities	2,799	-	2,799	-	-	-	2,799

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2024:

Particulars	Carrying value	Payable on demand	Less than 1 year	1-2 years	2-5 years	5-8 years	Total
Current borrowings	-	3,002	-	-	-	-	-
Trade payables	66,823	-	66,823	-	-	-	66,823
Other financial liabilities	2,727	-	2,727	-	-	-	2,727

**Market Risk**  
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Company's exposure to market risk is primarily on account of foreign currency exchange rate risk.

**Interest rate risk**  
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. As the Company's debt obligation with fixed interest rates is subject to insignificant change, exposure to the risk of changes in market interest rates are substantially independent of changes in market interest rates.

**Foreign Currency exchange rate risk**  
The Company predominantly deals in US Dollars which is the currency of the country in which it is domiciled. Hence, fluctuation in foreign currency exchange rates has no potential impact on the statement of profit and loss and other comprehensive income and equity, considering the countries and economic environment in which the Company operates. However, as at March 31, 2025, the Company has other bank balances held in foreign currency amounting to CHF 11,350,000.

**Sensitivity analysis:**  
The following tables demonstrate the sensitivity to a reasonably possible change in Swiss Franc (CHF), with all other variables held constant. The impact on the Company's profit after tax and equity is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material.

Particulars	March 31, 2025	March 31, 2024
<b>Assets</b>		
Bank balance in escrow account	12,832	-
<b>Total</b>	<b>12,832</b>	<b>-</b>

Particulars	Change in rate	Impact on Profit after tax and equity
<b>March 31, 2025</b>	1%	101
	-1%	(101)
<b>March 31, 2024</b>	1%	-
	-1%	-

**25. Segment reporting**  
The Company is engaged in the manufacture and in-house research and development of Pharmaceuticals, which in the context of Ind AS 108 is considered only business segment:

Particulars	As at March 31, 2025			As at March 31, 2024		
	Domiciled Country	Other than Domiciled Country	Total	Domiciled Country	Other than Domiciled Country	Total
Revenue	2,41,378	3,646	2,45,024	1,93,165	2,461	1,95,626
Non-current assets	57,090	-	57,090	60,458	-	60,458

**Note:**  
i) Non-current assets for this purpose consist of property, plant and equipment, capital work in progress, intangible assets, intangible assets under development and other non-current assets.

**Granules Pharmaceuticals Inc.****Notes to Financial Statements for the year ended March 31, 2025**

(All amounts are in USD thousands except share data and unless otherwise stated)

**26. Capital management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

The Company manages its capital structure in consideration to the changes in economic conditions and the requirements of the financial covenants. The Company monitors capital using a gearing ratio, which is net debt divided by equity. Net debt consists of borrowings including interest accrued on borrowings, less cash and cash equivalents and other bank balances.

<b>Particulars</b>	<b>March 31, 2025</b>	<b>March 31, 2024</b>
Borrowings including interest accrued on borrowings	4,041	3,002
Less: Cash and cash equivalents	(7,810)	(12,377)
<b>Net debt</b>	<b>(3,769)</b>	<b>(9,376)</b>
Equity	4	4
Other equity	1,24,990	1,03,431
<b>Total equity</b>	<b>1,24,994</b>	<b>1,03,435</b>
<b>Net debt to equity ratio</b>	<b>(0.03)</b>	<b>(0.09)</b>

**27. Subsequent event**

Effective April 1, 2025, Granules USA Inc., an entity controlled by the Holding Company was merged into the Company. Accordingly Granules Consumer Health LLC, which was a subsidiary of Granules USA Inc. become a 100% subsidiary of the Company.