

# B S R & Associates LLP

Chartered Accountants

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## Limited review report (unmodified) on unaudited quarterly standalone financial results of Granules India Limited pursuant to Regulation 33 of the Securities and Exchange Boards of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

To,  
The Board of Directors of Granules India Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of Granules India Limited ('the Company') for the quarter ended 30 June 2021.
2. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **B S R & Associates LLP**

Chartered Accountants

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

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**Sriram Mahalingam**

Partner

Membership No.: 049642

UDIN: 21049642AAAACO6263

Place: Hyderabad

Date : 27 July 2021

Principal Office:



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

Rs in lakhs

**Statement of Standalone Unaudited Results for the quarter ended June 30, 2021**

Sl No.	Particulars	Quarter ended			Year ended
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		Un-Audited	Audited	Un-Audited	Audited
	<b>Income</b>				
1	Revenue from operations	73,211.59	78,155.12	74,292.16	313,498.24
2	Other income	735.57	306.10	630.62	1,372.32
3	<b>Total income (1+2)</b>	<b>73,947.16</b>	<b>78,461.22</b>	<b>74,922.78</b>	<b>314,870.56</b>
	<b>Expenses</b>				
(a)	Cost of materials consumed	43,251.32	35,346.65	35,979.52	150,219.35
(b)	Changes in inventories of work in progress and finished goods	(4,158.13)	1,443.46	(1,930.63)	744.93
(c)	Employee benefits expense	7,121.46	7,746.65	8,195.52	31,825.23
(d)	Finance costs	538.38	575.26	584.79	2,377.39
(e)	Depreciation and amortisation expense	3,149.57	3,051.11	2,857.94	11,845.14
(f)	Other expenses	11,993.40	11,326.84	12,482.90	44,571.50
	<b>Total expenses</b>	<b>61,896.00</b>	<b>59,489.97</b>	<b>58,170.04</b>	<b>241,583.54</b>
5	<b>Profit before tax (3-4)</b>	<b>12,051.16</b>	<b>18,971.25</b>	<b>16,752.74</b>	<b>73,287.02</b>
6	<b>Tax expense</b>				
a)	Current tax	3,119.66	4,681.30	5,724.01	20,231.19
b)	Deferred tax	(53.07)	64.56	(1,471.37)	(1,697.38)
c)	Adjustment of tax relating to earlier periods	-	-	-	(525.10)
	<b>Total tax expense</b>	<b>3,066.59</b>	<b>4,745.86</b>	<b>4,252.64</b>	<b>18,008.71</b>
7	<b>Profit for the period (5-6)</b>	<b>8,984.57</b>	<b>14,225.39</b>	<b>12,500.10</b>	<b>55,278.31</b>
8	<b>Other comprehensive income (net of tax)</b>				
(a)	(i) items that will not be reclassified to profit or loss	-	(36.69)	-	(36.69)
	(ii) income tax on (i) above	-	9.23	-	9.23
(b)	(i) items that will be reclassified to profit or loss	(1,081.05)	2,703.78	(973.76)	(699.98)
	(ii) income tax on (i) above	272.08	(680.49)	245.08	176.17
	<b>Total other comprehensive income, net of tax</b>	<b>(808.97)</b>	<b>1,995.83</b>	<b>(728.68)</b>	<b>(551.27)</b>
9	<b>Total comprehensive income (7+8)</b>	<b>8,175.60</b>	<b>16,221.22</b>	<b>11,771.42</b>	<b>54,727.04</b>
10	Paid-up equity share capital (Face Value of Rs.1/- per share)	2,476.75	2,476.75	2,471.46	2,476.75
11	Other equity				213,785.42
12	Earnings per share (Face value Rs. 1/- each)				
(a)	Basic (in Rs.)	3.63	5.74	4.92	22.18
(b)	Diluted (in Rs.)	3.61	5.72	4.89	22.09
		(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

**Notes:**

- The above standalone un-audited financial results for the quarter ended June 30, 2021 have been reviewed by the Audit Committee on July 27, 2021 and approved by the Board of Directors at their meeting held on July 27, 2021.
- The standalone un-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.
- The Auditors of the Company have carried out Limited Review of the financial results for the quarter ended June 30, 2021.
- 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 ended June 30, 2021 and year ended March 31, 2021.
- The Company operates in one reportable business segment of Pharmaceutical products including ingredients and intermediaries.
- The Board of Directors at their meeting held on July 27, 2021 has declared first interim dividend of 25 paise per equity share of Re.1/- each.
- 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.
- The figures for the quarters ended March 31, 2021 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.
- The figures for the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.



for and on behalf of the Board

*(Signature)*

**Krishna Prasad Chigurupati**  
Chairman and Managing Director

Place : Hyderabad  
Date : July 27, 2021

# B S R & Associates LLP

Chartered Accountants

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Telephone: +91 40 7182 2000  
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## Limited review report (unmodified) on unaudited quarterly consolidated financial results of Granules India Limited under Regulation 33 of the Listing Regulations, 2015

To,  
The Board of Directors of Granules India Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of Granules India Limited (“the Parent”) and its subsidiaries (the Parent and its subsidiaries together referred to as “the Group”) for the quarter ended 30 June 2021 (“the Statement”), being submitted by the Parent pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”).
2. This Statement, which is the responsibility of the Parent’s management and approved by the Parent’s Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 “*Interim Financial Reporting*” (“Ind AS 34”), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*”, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities:

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

5. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2021 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.



## **B S R & Associates LLP**

### **Limited review report (unmodified) on unaudited quarterly consolidated financial results of Granules India Limited under Regulation 33 of the Listing Regulations, 2015 (continued)**

1. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
2. We did not review the interim financial results of two subsidiaries included in the Statement, whose interim financial results reflect total revenues of Rs. 33,081.01 lakhs, total net profit after tax of Rs. 1,875.00 lakhs and total comprehensive income of Rs. 2,976.06 lakhs for the quarter ended 30 June 2021, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

3. The Statement includes the interim financial information of two subsidiaries which have not been reviewed, whose interim financial information reflect total revenue of Rs. Nil, total net loss after tax of Rs. 40.06 lakhs and total comprehensive loss of Rs 56.06 lakhs for the quarter ended 30 June 2021 as considered in the Statement. According to the information and explanations given to us by the management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For **B S R & Associates LLP**

Chartered Accountants

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

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**Sriram Mahalingam**

Partner

Membership No.: 049642

UDIN: 21049642AAAACP2287

Place: Hyderabad

Date: 27 July 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 Unaudited Results for the quarter ended June 30, 2021**

Sl No.	Particulars	Quarter ended		Year ended	
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		Un-Audited	Audited	Un-Audited	Audited
	<b>Income</b>				
1	Revenue from operations	84,984.66	79,931.32	73,559.62	323,754.28
2	Other income	762.07	327.84	563.02	2,688.18
3	<b>Total income (1+2)</b>	<b>85,746.73</b>	<b>80,259.16</b>	<b>74,122.64</b>	<b>326,442.46</b>
	<b>Expenses</b>				
	(a) Cost of materials consumed	46,006.37	38,504.47	37,360.16	159,027.67
	(b) Changes in inventories of work in progress and finished goods	(7,099.07)	(4,348.21)	(7,601.06)	(19,900.33)
	(c) Employee benefits expense	9,538.96	9,987.89	10,279.92	40,818.10
	(d) Finance costs	679.32	681.80	595.26	2,628.41
	(e) Depreciation and amortisation expense	3,938.14	4,447.81	3,407.74	15,146.25
	(f) Other expenses	16,395.79	15,586.48	15,161.73	58,285.93
	<b>Total expenses</b>	<b>69,459.51</b>	<b>64,860.24</b>	<b>59,203.75</b>	<b>256,006.03</b>
5	<b>Profit before tax (3-4)</b>	<b>16,287.22</b>	<b>15,398.92</b>	<b>14,918.89</b>	<b>70,436.43</b>
6	<b>Tax expense</b>				
	a) Current tax	3,453.88	3,200.66	5,956.85	20,255.74
	b) Deferred tax	813.15	(558.60)	(2,182.89)	(4,046.68)
	c) Adjustment of tax relating to earlier periods	-	-	-	(718.53)
	<b>Total tax expense</b>	<b>4,267.03</b>	<b>2,642.06</b>	<b>3,773.96</b>	<b>15,490.53</b>
7	<b>Profit for the period (5-6)</b>	<b>12,020.19</b>	<b>12,756.86</b>	<b>11,144.93</b>	<b>54,945.90</b>
8	<b>Other comprehensive income (net of tax)</b>				
	(a) (i) items that will not be reclassified to profit or loss	-	(36.69)	-	(36.69)
	(ii) income tax on (i) above	-	9.23	-	9.23
	(b) (i) items that will be reclassified to profit or loss	4.00	2,795.22	(878.24)	(2,764.76)
	(ii) income tax on (i) above	272.08	(680.49)	245.08	176.17
	<b>Total other comprehensive income, net of tax</b>	<b>276.08</b>	<b>2,087.27</b>	<b>(633.16)</b>	<b>(2,616.05)</b>
9	<b>Total comprehensive income (7+8)</b>	<b>12,296.27</b>	<b>14,844.13</b>	<b>10,511.77</b>	<b>52,329.85</b>
10	Paid-up equity share capital (Face Value of Rs. 1/- per share)	2,476.75	2,476.75	2,471.46	2,476.75
11	Other equity				214,850.68
12	Earnings per share (Face value Rs. 1/- each)				
	(a) Basic (in Rs.)	4.85	5.15	4.39	22.05
	(b) Diluted (in Rs.)	4.83	5.13	4.36	21.95
		(Not annualised)	(Not annualised)	(Not annualised)	(Annualised)

**Notes:**

- The above consolidated un-audited financial results for the quarter ended June 30, 2021 have been reviewed by the Audit Committee on July 27, 2021 and approved by the Board of Directors at their meeting held on July 27, 2021.
- The consolidated un-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.
- The Auditors of the Company have carried out Limited Review of the financial results for the quarter ended June 30, 2021.
- The subsidiaries considered for the consolidated financial statements for the quarter ended June 30, 2021 are Granules USA Inc., Granules Pharmaceuticals Inc., Granules Europe Limited and Granules Life Sciences Private Limited (together known as "Subsidiaries").
- The Group operates in one reportable business segment of Pharmaceutical products including ingredients and intermediaries.
- 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 ended June 30, 2021 and year ended March 31, 2021.
- The Board of Directors at their meeting held on July 27, 2021 has declared first interim dividend of 25 paise per equity share of Re. 1/- each.
- 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.
- The figures for the quarters ended March 31, 2021 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.



10 The figures for the corresponding previous periods have been restated/regrouped wherever necessary, to make them comparable.


11 Standalone results for the quarter / year ended are as under -

Particulars	Rs in lakhs			
	Quarter ended			Year ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	Un-Audited	Audited	Un-Audited	Audited
Revenue from Operations	73,211.59	78,155.12	74,292.16	313,498.24
Profit Before Tax	12,051.16	18,971.25	16,752.74	73,287.02
Profit After Tax	8,984.57	14,225.39	12,500.10	55,278.31

Place : Hyderabad  
Date : July 27, 2021



for and on behalf of the Board

  
Krishna Prasad Chigurupati  
Chairman and Managing Director