



IGC Reports Financial Results for the Fiscal Year Ended March 31, 2020

BETHESDA, MD. July 13, 2020 / India Globalization Capital, Inc. (NYSE American: IGC) announces its financial results for the Fiscal Year Ended March 31, 2020.

During Fiscal 2020, total revenue was approximately \$4.1 million compared to approximately \$5.1 million for Fiscal 2019. In both years, revenue was primarily derived from our India-based Infrastructure Business. In Fiscal 2020, the Company generated \$411,000 revenue from its Life Sciences segment that was previously referred to as the Plant and Cannabinoid segment. Revenue in Fiscal 2020 was lower than Fiscal 2019 primarily due to economic slowdown, social distancing, travel and stay at home restrictions brought on by Covid-19 in the last quarter of our fiscal year.

The highlights for Fiscal 2020 are:

1. We filed a provisional patent, IGC 510, Compositions and Methods using cannabidiol (“CBD”) for treating stammering and symptoms of Tourette syndrome with the USPTO.
2. We received notification that on March 24, 2020, the USPTO issued a method and composition patent (#10,596,159 B2) for the Company’s cannabinoid formulation for the treatment of cachexia and eating disorders in humans and veterinary animals.
3. The Company filed an Investigational New Drug Application with the FDA for a double-blind, placebo-controlled, 100-person trial, for its proprietary patent-pending formulation based on IGC-AD1 that uses ultra-low doses of cannabinoids with other natural compounds intended to assist in the management of the care of patients suffering from Alzheimer’s disease.
4. We established a facility in San Juan, Puerto Rico to house and conduct clinical trials.
5. We established a production and manufacturing facility in Washington State.
6. The Company, in response to the Covid-19 pandemic, adapted the manufacturing facilities to produce and package hand sanitizers that are anticipated to go on sale in Fiscal 2021.
7. We completed the development of several online and retail brands, building out our “house of CBD brands” that we anticipate will come to market in accordance with applicable law and regulation in the future.

General and administrative expenses for Fiscal 2020 was approximately \$6 million as compared to approximately \$3.5 million for Fiscal 2019. The increase is largely attributed to increased legal fees, and increased compensation expenses from an increased employee and contractor head count. We anticipate legal fees will abate over Fiscal 2021.

Research and Development (R&D) expense for Fiscal 2020 was approximately \$1 million compared to approximately \$1.3 million for the Fiscal 2019. The cost associated with this work is mostly research comprising of plant extracts, data to support the efficacy of extracts, and running FDA trials.

Net loss for Fiscal 2020 was approximately \$7.3 million or \$0.19 per share, compared to approximately \$4.1 million or \$0.13 per share for Fiscal 2019. The larger loss is largely attributed to increased legal and increased employee-related expenses.

On July 6, 2020, the United States District Court for the District of Maryland entered an order formally and finally approving a settlement that resolves all pending shareholder derivative suits filed against the Company between November 2018 and the present. Details of the settlement were previously disclosed on May 7, 2020 and in the Company’s public filings.

About IGC: IGC has two segments: Infrastructure and Life Sciences. The company is based in Maryland, U.S.A. Our website: www.igcinc.us. Twitter @IGCIR

Forward-looking Statements: This press release contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934. These forward-looking statements are based largely on IGC’s expectations and are subject to several risks and uncertainties, certain of which are beyond IGC’s control. Actual results could differ materially from these forward-looking statements as a result of, among other factors, competitive conditions in the industries in which IGC operates, failure to commercialize one or more of the technologies of IGC, general economic conditions that are less favorable than expected, the Federal Food and

Drug Administration's (FDA) general position regarding hemp based products and our products in particular, the ongoing Covid-19 pandemic and its effect on the global and regional economies in which the Company participates, and other factors, many of which are discussed in our SEC filings. The Company incorporates by reference the Risk Factors identified in its Fiscal 2020 annual report filed with the SEC on Form 10-K on July 13, 2020. In light of these risks and uncertainties, there can be no assurance that the forward-looking information contained in this release will in fact occur.

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< **Financial Tables to Follow** >

India Globalization Capital, Inc.
CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

	March 31, 2020 (\$)	March 31, 2019 (\$)
ASSETS		
Current assets:		
Cash and cash equivalents	7,258	25,610
Marketable Securities	5,081	-
Accounts receivable, net	133	84
Inventories	4,245	248
Deposits and advances	1,040	781
Total current assets	17,757	26,723
Intangible assets, net	252	184
Property, plant and equipment, net	9,780	5,886
Non-Marketable Securities	11	794
Claims and advances	610	878
Operating lease asset	574	-
Total long-term assets	11,227	7,742
Total assets	28,984	34,465
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities:		
Accounts payable	762	319
Accrued liabilities and others	1,134	509
Short-term loan	50	50
Total current liabilities	1,946	878
Other liabilities	16	15
Operating lease liability	485	-
Total non-current liabilities	501	15
Total liabilities	2,447	893
Commitments and Contingencies – See Note 12		
Stockholders' equity:		
Preferred stock, \$0.0001 per value: authorized 1,000,000 shares, no share issued or outstanding as on March 31, 2020 and March 31, 2019	-	-
Common stock and additional paid-in capital, \$0.0001 par value: 150,000,000 shares authorized; 39,320,116 and 39,501,407 shares issued and outstanding as on March 31, 2020 and March 31, 2019, respectively.	94,754	94,043
Accumulated other comprehensive loss	(2,850)	(2,419)
Accumulated deficit	(65,367)	(58,052)
Total stockholders' equity	26,537	33,572
Total liabilities and stockholders' equity	28,984	34,465

These financial statements should be read in connection with the accompanying notes on Form 10-K for the fiscal year ending March 31, 2020, filed with the SEC on July 10, 2020.

India Globalization Capital, Inc.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(in thousands, except loss per share)

	Years Ended March 31,	
	2020	2019
	(\$)	(\$)
Revenues	4,072	5,116
Cost of revenues	(3,957)	(4,984)
Gross profit	115	132
General and administrative expenses	(5,968)	(3,519)
Research and development expenses	(1,011)	(1,256)
Operating loss	(6,864)	(4,643)
Impairment of investment	(782)	-
Other income – net	331	548
Loss before income taxes	(7,315)	(4,095)
Income taxes expense	-	(2)
Net loss attributable to common stockholders	(7,315)	(4,097)
Foreign currency translation adjustments	(431)	(362)
Comprehensive loss	(7,746)	(4,459)
 Loss per share attributable to common stockholders:		
Basic & diluted	\$ (0.19)	\$ (0.13)
Weighted-average number of shares used in computing loss per share amounts:	39,490	35,393

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