

## Independent Auditor's Report

### To the Board of Directors of Torrent Pharmaceuticals Limited Report on the audit of the Standalone Financial Results

#### Opinion

We have audited the accompanying standalone quarterly financial results of Torrent Pharmaceuticals Limited ("the Company") for the quarter ended 31 December 2024 and the year-to-date results for the period from 1 April 2024 to 31 December 2024, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52(4) read with Regulation 63 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021.

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

- a. are presented in accordance with the requirements of Regulation 33 and Regulation 52(4) read with Regulation 63 of the Listing Regulations, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021 in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the quarter ended 31 December 2024 as well as for the year to date results for the period from 1 April 2024 to 31 December 2024.

#### 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 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.

#### Management's and Board of Directors' Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements.

The Company's Management and the Board of Directors are responsible for the preparation of these standalone 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 Standard 34, 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52(4) read with Regulation 63 of the Listing Regulations, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets



**Independent Auditor's Report (Continued)**

**Torrent Pharmaceuticals Limited**

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 presentation of the standalone 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 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 also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- 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's 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 Company's ability to continue as a going concern. 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the standalone 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.



B S R & Co. LLP

**Independent Auditor's Report (Continued)**  
**Torrent Pharmaceuticals Limited**

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.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248WW-100022



**Sadashiv Shetty**

*Partner*

Ahmedabad

24 January 2025

Membership No.: 048648

UDIN:25048648BMNYGU9784



## TORRENT PHARMACEUTICALS LIMITED

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CIN: L24230GJ1972PLC002126; Website:www.torrentpharma.com; Email: investorservices@torrentpharma.com

(Rs. in crores except per share data)

### Statement of Standalone Audited Financial Results for the Quarter and Nine Months ended December 31, 2024

Particulars	Quarter ended			Nine Months ended		Year ended
	31-Dec-2024	30-Sep-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023	31-Mar-2024
<b>1 Revenue from operations</b>						
Net sales	2330	2376	2083	7100	6276	8370
Other operating income	47	58	40	149	114	163
<b>Total revenue from operations</b>	<b>2377</b>	<b>2434</b>	<b>2123</b>	<b>7249</b>	<b>6390</b>	<b>8533</b>
<b>2 Other income (Refer note 4)</b>	<b>3</b>	<b>(7)</b>	<b>(11)</b>	<b>17</b>	<b>15</b>	<b>91</b>
<b>3 Total income (1 + 2)</b>	<b>2380</b>	<b>2427</b>	<b>2112</b>	<b>7266</b>	<b>6405</b>	<b>8624</b>
<b>4 Expenses</b>						
Cost of materials consumed	369	337	376	1116	1243	1652
Purchases of stock-in-trade	211	175	129	527	380	548
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(36)	23	56	19	(30)	(69)
Employee benefits expense	407	407	363	1220	1098	1451
Finance costs	48	54	69	166	236	303
Depreciation and amortisation expense	191	190	191	570	566	761
Other expenses	539	571	498	1660	1525	2061
<b>Total expenses</b>	<b>1729</b>	<b>1757</b>	<b>1682</b>	<b>5278</b>	<b>5018</b>	<b>6707</b>
<b>5 Profit before tax (3 - 4)</b>	<b>651</b>	<b>670</b>	<b>430</b>	<b>1988</b>	<b>1387</b>	<b>1917</b>
<b>6 Tax expense</b>						
Current tax	125	139	75	381	240	322
Deferred tax	41	71	58	193	200	238
<b>Total tax expense</b>	<b>166</b>	<b>210</b>	<b>133</b>	<b>574</b>	<b>440</b>	<b>560</b>
<b>7 Net profit for the period (5 - 6)</b>	<b>485</b>	<b>460</b>	<b>297</b>	<b>1414</b>	<b>947</b>	<b>1357</b>
<b>8 Other comprehensive income</b>						
(A) (i) Items that will not be reclassified subsequently to profit or loss	(7)	(7)	(5)	(19)	(16)	(10)
(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	3	2	2	7	6	3
(B) (i) Items that will be reclassified subsequently to profit or loss	(5)	(37)	(16)	(37)	42	58
(ii) Income tax relating to items that will be reclassified subsequently to profit or loss	2	13	6	13	(15)	(20)
<b>Total other comprehensive income</b>	<b>(7)</b>	<b>(29)</b>	<b>(13)</b>	<b>(36)</b>	<b>17</b>	<b>31</b>
<b>9 Total comprehensive income (7 + 8)</b>	<b>478</b>	<b>431</b>	<b>284</b>	<b>1378</b>	<b>964</b>	<b>1388</b>
<b>10 Paid-up equity share capital (Face value of Rs. 5 each)</b>	<b>169.23</b>	<b>169.23</b>	<b>169.23</b>	<b>169.23</b>	<b>169.23</b>	<b>169.23</b>
<b>11 Other equity excluding revaluation reserves</b>						<b>6660</b>
<b>12 Earnings per share (Face value of Rs. 5 each) (not annualised) :</b>						
Basic	14.33	13.60	8.78	41.79	27.98	40.10
Diluted	14.33	13.60	8.78	41.79	27.98	40.10

See accompanying notes to the standalone financial results



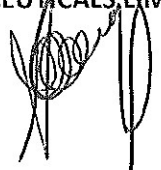
**Notes:**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on January 24, 2025. The statutory auditors have carried out an audit of the above said results. There is no qualification in the auditor's report on this statement of financial results.
- 2 The Company operates in a single segment i.e. Generic Formulation Business.
- 3 The listed non-convertible debentures of the company aggregating Rs. 143 crores as at December 31, 2024 (previous year ended Rs. 285 crores) are secured by way of first pari passu charge through mortgage on certain specified immovable & tangible movable assets and hypothecation of identified trademarks of the Company and the asset cover thereof exceeds hundred percent of the principal amount and interest accrued of the said debentures.
- 4 Other income mainly includes interest income, dividend income, net gain on sale of investments, net foreign exchange gain/(loss) and net gain/(loss) on disposal of property, plant & equipment and other intangible assets.
- 5 The Board of Directors in their meeting held on January 24, 2025 recommended an interim equity dividend of Rs. 26 per equity share.
- 6 Refer Annexure I for disclosure required pursuant to Regulation 52(4) and 54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).



Place : Ahmedabad, Gujarat  
Date : January 24, 2025

For TORRENT PHARMACEUTICALS LIMITED

A handwritten signature in black ink, appearing to read "SAMIR MEHTA".

**SAMIR MEHTA**  
Executive Chairman  
DIN : 00061903

Particulars	Regulation No.	Quarter ended			Nine Months ended		Year ended
		31-Dec-2024	30-Sep-2024	31-Dec-2023	31-Dec-2024	31-Dec-2023	31-Mar-2024
		Paid up debt capital		643	786	786	643
Net worth	52(4)(f)	8003	7526	7149	8003	7149	6829
Debt redemption reserve	52(4)(e)	36	71	71	36	71	71
Debt equity ratio (in times)	52(4)(a)	0.27	0.34	0.44	0.27	0.44	0.49
Debt service coverage ratio (in times)	52(4)(b)	2.54	5.42	1.96	3.84	1.42	1.72
Interest service coverage ratio (in times)	52(4)(c)	16.01	14.51	9.03	14.18	8.29	8.80
Current ratio (in times)	52(4)(i)	1.77	1.68	1.40	1.77	1.40	1.25
Long term debt to working capital (in times)	52(4)(j)	0.69	0.91	1.38	0.69	1.38	1.66
Bad debts to Account receivables ratio (in times)	52(4)(k)	0.00	0.00	0.00	0.00	0.00	0.00
Current liability ratio (in times)	52(4)(l)	0.51	0.48	0.51	0.51	0.51	0.54
Total debts to total assets (in times)	52(4)(m)	0.17	0.20	0.25	0.17	0.25	0.27
Debtors turnover (in times) (Annualised)	52(4)(n)	4.65	5.05	5.21	5.21	5.08	5.07
Inventory turnover (in times) (Annualised)	52(4)(o)	6.31	6.52	5.35	6.12	5.34	5.28
Operating margin (in %)	52(4)(p)	37.4%	37.5%	32.5%	37.6%	34.2%	34.3%
Net profit margin (in %)	52(4)(q)	20.4%	18.9%	14.0%	19.5%	14.8%	15.9%
Assets coverage ratio (in times)	54(3)	5.40	3.77	3.29	5.40	3.29	3.46

Ratios have been computed as follows :-

- (a) Debt equity ratio : Total debt / Net worth  
 Total debt: Non-current borrowings + current borrowings  
 Net worth: Equity share capital + Other equity
- (b) Debt service coverage ratio : (Profit after tax + Deferred tax + Depreciation and amortisation + Interest on debt and lease) / (Interest on debt and lease + Principal repayments of long term debt including lease payment)
- (c) Interest service coverage ratio: (Profit after tax + Deferred tax + Depreciation and amortisation + Interest on debt and lease) / Interest on debt and lease
- (d) Current Ratio : Total current assets / Total current liabilities
- (e) Long term debt to working capital : Non-current borrowings (including current maturities of long-term borrowings) / Net working capital  
 Net Working capital : Total current assets - Current liabilities  
 Current liabilities: Total current liabilities - current maturities of long-term borrowings
- (f) Bad debts to Account receivables ratio : Allowances for expected credit loss / Gross trade receivables
- (g) Current liability ratio : Total current liabilities / Total liabilities
- (h) Total debts to total assets : Total borrowing / Total assets  
 Total borrowing : Non-current borrowings + current borrowings
- (i) Debtors turnover : Net sales / Average trade receivables
- (j) Inventory turnover : Net sales / Average inventories
- (k) Operating margin % : Revenue from operations - (cost of goods sold + employee benefits + other expenses) + (other income - interest income - dividend income) / Revenue from operations
- (l) Net profit margin % : Profit after tax / Revenue from operations
- (m) Assets coverage ratio : Total assets available for secured debt securities (secured by either *pari passu* or exclusive charge on assets including assets given on first *pari passu* basis to term loan lenders) / Total borrowing through issue of secured Debt securities and other borrowings (secured by first *pari passu* charge on aforementioned assets) including interest accrued.

