

# Torrent Pharmaceuticals Limited

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## PART I

[Rs. in Crores except per share data]

### Statement of Standalone Audited Results for the Quarter and Half Year Ended 30-Sep-2016

Particulars	Quarter ended			Half Year ended		Year ended
	30-Sep-2016	30-Jun-2016	30-Sep-2015	30-Sep-2016	30-Sep-2015	31-Mar-2016
<b>Income from operations</b>						
Net Sales (including excise duty)	1037	1288	1533	2325	3345	5302
Other operating income	21	36	33	57	90	138
<b>Total Income from operations (Net)</b>	<b>1058</b>	<b>1324</b>	<b>1566</b>	<b>2382</b>	<b>3435</b>	<b>5440</b>
<b>Expenses</b>						
Cost of materials consumed	297	342	252	639	516	1041
Purchases of stock-in-trade	54	50	44	104	91	192
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(34)	(20)	(27)	(54)	(39)	(50)
Employee benefits expense	185	179	136	364	272	572
Depreciation and amortisation expense	64	61	53	125	105	213
Other expenses	312	306	232	618	488	1045
<b>Total expenses</b>	<b>878</b>	<b>918</b>	<b>690</b>	<b>1796</b>	<b>1433</b>	<b>3013</b>
<b>Profit from operations before other income, finance costs and exceptional items</b>	<b>180</b>	<b>406</b>	<b>876</b>	<b>586</b>	<b>2002</b>	<b>2427</b>
Other income	59	49	101	108	177	293
<b>Profit from ordinary activities before finance costs and exceptional items</b>	<b>239</b>	<b>455</b>	<b>977</b>	<b>694</b>	<b>2179</b>	<b>2720</b>
Finance costs	51	48	48	99	101	180
<b>Profit from ordinary activities after finance costs but before exceptional item</b>	<b>188</b>	<b>407</b>	<b>929</b>	<b>595</b>	<b>2078</b>	<b>2540</b>
Exceptional items	-	-	-	-	-	193
<b>Profit from ordinary activities before tax</b>	<b>188</b>	<b>407</b>	<b>929</b>	<b>595</b>	<b>2078</b>	<b>2347</b>
Tax expense	19	70	246	89	556	605
<b>Net profit for the period</b>	<b>169</b>	<b>337</b>	<b>683</b>	<b>506</b>	<b>1522</b>	<b>1742</b>
Other comprehensive income (after tax)	40	(5)	19	35	(23)	(2)
<b>Total comprehensive income</b>	<b>209</b>	<b>332</b>	<b>702</b>	<b>541</b>	<b>1499</b>	<b>1740</b>
<b>Paid-up equity share capital</b> (Face value of Rs. 5 each)	85	85	85	85	85	85
<b>Paid up Debt Capital</b>				490	490	490
<b>Reserves excluding Revaluation Reserves</b>						3622
<b>Networth</b>				4248	4178	3707
<b>Debt Redemption Reserve</b>				123	0	123
<b>Earnings per share (of Rs. 5/- each) (not annualised):</b>						
Basic	9.96	19.95	40.33	29.87	89.91	102.99
Diluted	9.96	19.95	40.33	29.87	89.91	102.99
<b>Debt Equity Ratio</b>				0.59	0.57	0.61
<b>Debt Service Coverage Ratio</b>				4.19	15.22	7.60
<b>Interest Service Coverage Ratio</b>				7.10	21.74	15.16

Ratios have been computed as follows :-

a) Debt to Equity: Debt / Net Worth

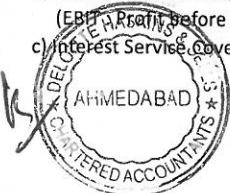
Debt: Long term borrowings (Current & Non Current Portion)

Net worth: Share Capital + Reserves & Surplus

b) Debt Service Coverage Ratio: EBIT / (Interest on term & working capital debt + Principal repayments of Long term debt)

(EBIT: Earnings Before Taxes +/- Exceptional Items + Interest Expense)

c) Interest Service Coverage Ratio: EBIT / Interest Expense

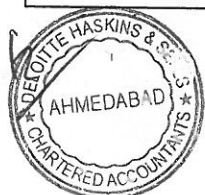


**Notes:**

- 1 The above results were reviewed by the Audit and Risk Management Committee and approved by the Board of Directors in their respective meetings held on 25-Oct-2016 and 26-Oct-2016 respectively. There is no qualification in the Auditors report on this statement of financial results.
- 2 The Financial results for the quarter and half year ended 30-Sep-2016 are in compliance with Indian Accounting Standards (Ind-AS) notified by the Ministry of Corporate Affairs. Consequently, results for the quarter and half year ended 30-Sep-2015 and previous year ended 31-Mar-2016 have been restated to comply with Ind-AS to make them comparable.
- 3 The Company acquired API manufacturing unit of Glochem Industries in Vizag on a going concern slump sales basis with effect from 3rd September 2016. The Company is in the process of making a final determination of fair value and till such time the assets are included in capital work in progress as at 30th September, 2016. Finalisation of purchase price allocation is expected to be completed by 31st December 2016.
- 4 The Company operates in a single segment i.e Generic Formulation Business.
- 5 Standalone Statement of Assets and Liabilities

[Rs. in Crores]

Particulars	Audited	
	As at 30-Sep-2016	As at 31-Mar-2016
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1450	944
Capital work-in-progress	727	984
Goodwill	109	109
Other intangible assets	1574	1629
<b>Financial assets</b>		
Non-current investments	154	154
Long-term loans and advances	147	158
Other Financial Assets	96	59
	397	371
Other non-current assets	121	114
<b>Sub-total - Non-current assets</b>	<b>4378</b>	<b>4151</b>
<b>Current assets</b>		
Inventories	1044	970
<b>Financial assets</b>		
Current investments	1068	764
Trade receivables	1095	912
Cash and cash equivalents	53	82
Bank deposits other than cash and cash equivalent	0	0
Short-term loans and advances	69	51
Other Financial Assets	133	64
	2418	1873
Assets for Current Tax (net)	8	8
Other current assets	305	285
Non-current assets classified as held for sale	1	1
<b>Sub-total - Current assets</b>	<b>3776</b>	<b>3137</b>
<b>TOTAL - ASSETS</b>	<b>8154</b>	<b>7288</b>



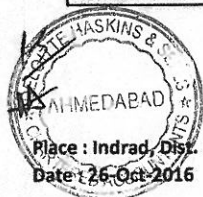
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<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	85	85
Other Equity	4163	3622
<b>Equity attributable to shareholders of TPL</b>	<b>4248</b>	<b>3707</b>
<b>Non-current liabilities</b>		
Financial Liabilities		
Long-term borrowings	2015	1784
Other financial liabilities	9	9
	2024	1793
Long-term provisions	108	115
Deferred tax liabilities (net)	152	171
Other non-current liabilities	0	0
<b>Sub-total - Non-current liabilities</b>	<b>2284</b>	<b>2079</b>
<b>Current liabilities</b>		
Financial Liabilities		
Trade payables	723	665
Other financial liabilities	673	655
	1396	1320
Short-term provisions	71	47
Other current liabilities	155	135
<b>Sub-total - Current liabilities</b>	<b>1622</b>	<b>1502</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>8154</b>	<b>7288</b>

- 6 The listed Non Convertible Debentures of the company aggregating to Rs. 490 crores as on 30-Sep-2016 are secured by way of first pari passu charge created through mortgage on certain immovable & movable assets and identified trademarks of the Company and the asset cover thereof exceeds hundred percent of the principal amount of the said debentures. The Company paid interest on Non Convertible Debentures on 24-Jun-2016 and next due date for payment of interest is on 23-Jun-2017.
- 7 Previous periods include exceptional revenues and profits primarily on account of launch of a new product in the USA which had limited competition.
- 8 Audited reconciliations between net profit for the period reported and reserves as at 31-March-2016 under IGAAP (Previous GAAP) and Ind AS are as under:

[Rs. in Crores]

Particulars	Profit Reconciliation			Reserve Reconciliation
	Quarter ended	Half Year ended	Year ended	Year ended
	30-Sep-2015	30-Sep-2015	31-Mar-2016	31-Mar-2016
Net Profit / Reserves as per IGAAP	729	1559	1763	3601
Add / (Less) : Adjustments for GAAP Differences				
Effect of measuring investments at fair value through profit and loss	6	8	18	19
Effect of measuring Derivative contracts at Mark-to-Market value	(3)	(3)	(3)	0
Actuarial (gain)/loss on employee defined benefit plan recognized in Other Comprehensive Income	4	8	16	-
Borrowings measured at amortised cost & effect on finance cost	(0)	3	2	11
Effect of measuring investments at fair value through other comprehensive income	(53)	(53)	(53)	-
Amortization of Goodwill being reversed	2	4	8	8
Deferred Tax adjustments	(2)	(3)	(8)	(16)
Others	0	0	(1)	(1)
<b>Net Profit before OCI / Reserves as per Ind AS</b>	<b>683</b>	<b>1522</b>	<b>1742</b>	<b>3622</b>



Place : Indrad, Dist. Mehsana, Gujarat

Date : 26 Oct 2016

For TORRENT PHARMACEUTICALS LIMITED

*[Signature]*

**SAMIR MEHTA**  
Executive Chairman