



## TORRENT PHARMACEUTICALS LIMITED

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(Rs. in crores except per share data)					
Statement of Consolidated Financial Results for the Quarter and Year Ended 31-Mar-2020					
Particulars	Quarter ended			Year ended	
	31-Mar-2020 (Audited) (Refer Note 6)	31-Dec-2019 (Unaudited)	31-Mar-2019 (Audited) (Refer Note 6)	31-Mar-2020 (Audited)	31-Mar-2019 (Audited)
<b>Revenue</b>					
Net sales	1912	1924	1822	7780	7462
Other operating income	34	42	34	159	211
<b>Revenue from operations (net)</b>	<b>1946</b>	<b>1966</b>	<b>1856</b>	<b>7939</b>	<b>7673</b>
Other income	15	53	17	122	57
<b>Total revenue</b>	<b>1961</b>	<b>2019</b>	<b>1873</b>	<b>8061</b>	<b>7730</b>
<b>Expenses</b>					
Cost of materials consumed	331	339	360	1377	1290
Purchases of stock-in-trade	279	224	144	923	846
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(82)	(21)	29	(133)	83
Employee benefits expense	336	354	347	1429	1404
Finance costs	102	111	123	451	504
Depreciation amortisation and impairment expense	168	163	160	654	618
Other expenses	534	530	503	2173	2066
<b>Total expenses</b>	<b>1668</b>	<b>1700</b>	<b>1666</b>	<b>6874</b>	<b>6811</b>
<b>Profit before exceptional items and tax</b>	<b>293</b>	<b>319</b>	<b>207</b>	<b>1187</b>	<b>919</b>
Exceptional items (Refer Note 8)	-	-	357	-	357
<b>Profit / (loss) before tax</b>	<b>293</b>	<b>319</b>	<b>(150)</b>	<b>1187</b>	<b>562</b>
Tax expense					
Current Tax	47	55	63	260	280
Deferred Tax	(17)	1	(61)	(59)	(155)
Short / (excess) provision of earlier periods	2	12	-	14	1
One time impact on current and deferred tax due to change in law (Refer note 9)	(53)	-	-	(53)	-
<b>Total tax expense</b>	<b>(21)</b>	<b>68</b>	<b>2</b>	<b>162</b>	<b>126</b>
<b>Net Profit / (loss) for the period</b>	<b>314</b>	<b>251</b>	<b>(152)</b>	<b>1025</b>	<b>436</b>
Attributable to :					
- Owners of the company	314	251	(152)	1025	436
- Non controlling Interest *	-	-	0	-	0
<b>Other Comprehensive Income</b>					
Items that will not be reclassified subsequently to profit or loss*	(6)	(5)	0	(20)	(9)
Income tax relating to items that will not be reclassified subsequently to profit or loss*	1	2	0	6	3
Items that will be reclassified subsequently to profit or loss	(133)	(68)	74	(234)	54
Income tax relating to items that will be reclassified subsequently to profit or loss	32	15	(21)	56	(15)
<b>Total other comprehensive income</b>	<b>(106)</b>	<b>(56)</b>	<b>53</b>	<b>(192)</b>	<b>33</b>
<b>Total Comprehensive Income</b>	<b>208</b>	<b>195</b>	<b>(99)</b>	<b>833</b>	<b>469</b>
Attributable to :					
- Owners of the company	208	195	(99)	833	469
- Non controlling Interest *	-	-	0	-	0
Paid-up equity share capital (Face value of Rs. 5 each)	84.62	84.62	84.62	84.62	84.62
Other Equity excluding Revaluation Reserves				4739	4639
<b>Earnings per share (of Rs. 5/- each) before exceptional items net of taxes (not annualised for the quarter):</b>					
Basic & Diluted	18.56	14.77	7.72	60.55	42.45
<b>Earnings / (Loss) per share (of Rs. 5/- each) after exceptional items net of taxes (not annualised for the quarter):</b>					
Basic & Diluted	18.56	14.77	(8.95)	60.55	25.78

\* Less than Rs. 1 crore

**Notes:**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Parent Company, in their respective meetings held on 26-May-2020. The auditor 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 consolidated financial results include the financial results of sixteen wholly owned subsidiaries, includes one subsidiary which was dissolved on 15-Oct-2019.
- 3 The Group operates in a single segment i.e Generic Formulation Business.
- 4 Consolidated Statement of Assets and Liabilities :

(Rs. in crores)

Particulars	Audited	
	As at 31-Mar-2020	As at 31-Mar-2019
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2818	2801
Right-of-use assets	135	-
Capital work-in-progress	577	479
Goodwill	342	335
Other intangible assets	4238	4612
Intangible assets under development	135	138
Financial assets		
Investments	2	2
Loans	2	3
Other financial assets	127	146
	131	151
Income tax assets (net)	189	120
Deferred tax assets (net)	433	370
Other non-current assets	31	77
<b>Sub-total - Non-current assets</b>	<b>9029</b>	<b>9083</b>
<b>Current assets</b>		
Inventories	2148	1935
Financial assets		
Investments*	0	351
Trade receivables	1649	1436
Cash and cash equivalents	662	589
Bank balances other than cash and cash equivalents	4	227
Loans	4	4
Other financial assets	82	65
	2401	2672
Other current assets	458	431
Non-current assets held for sale*	2	0
<b>Sub-total - Current assets</b>	<b>5009</b>	<b>5038</b>
<b>TOTAL - ASSETS</b>	<b>14038</b>	<b>14121</b>

(Rs. in crores)

Particulars	Audited	
	As at 31-Mar-2020	As at 31-Mar-2019
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	85	85
Other Equity	4739	4639
<b>Sub-total - Equity</b>	<b>4824</b>	<b>4724</b>
<b>Non-current liabilities</b>		
Financial Liabilities		
Borrowings	3304	3913
Other financial liabilities	82	15
	3386	3928
Provisions	338	289
Deferred tax liabilities (net)	-	7
Other non-current liabilities	8	7
<b>Sub-total - Non-current liabilities</b>	<b>3732</b>	<b>4231</b>
<b>Current liabilities</b>		
Financial Liabilities		
Borrowings	1091	934
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	13	7
Total outstanding dues of creditors other than micro enterprises and small enterprises	2063	2091
Other financial liabilities	1754	1523
	4921	4555
Provisions	419	414
Current tax liabilities (net)	35	79
Other current liabilities	107	118
<b>Sub-total - Current liabilities</b>	<b>5482</b>	<b>5166</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>14038</b>	<b>14121</b>

\* Less than Rs. 1 crore

5 Consolidated Cash Flow Statement

(Rs. in crores)

Particulars	Audited	
	Year ended 31-Mar-2020	Year ended 31-Mar-2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>PROFIT BEFORE TAX</b>	<b>1187</b>	<b>562</b>
Adjustments for :		
Depreciation, amortization and impairment expense	654	618
Allowance for doubtful trade receivables (net)	2	(6)
Exceptional items (Impairment of intangible assets)	-	217
Unrealised foreign exchange (gain) / loss, net	(220)	143
Loss on sale/discard/write-off of property, plant & equipments	26	4
Net gain on sale of current investments	(30)	(46)
Finance cost	451	504
Interest income	(8)	(16)
	<b>2062</b>	<b>1980</b>
Adjustments for changes in working capital :		
Trade receivables, loans and other assets	(191)	(89)
Inventories	(213)	31
Trade payables, liabilities and provisions	18	157
<b>CASH GENERATED FROM OPERATIONS</b>	<b>1676</b>	<b>2079</b>
Direct taxes paid	(284)	(281)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>1392</b>	<b>1798</b>

(Rs. in crores)

Particulars	Audited	
	Year ended 31-Mar-2020	Year ended 31-Mar-2019
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipment and Intangible assets	(406)	(663)
Proceeds from sale of property, plant & equipment and Intangible assets	4	3
Net gain on sale of current investments	30	46
Corporate deposits matured	-	16
Purchase of investment in equity shares	-	(2)
Sale of government securities	-	15
Fixed deposits matured (net)	204	336
Interest received	17	8
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(151)</b>	<b>(241)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from long-term borrowings	750	963
Repayment of long-term borrowings	(1201)	(725)
Proceeds from / (repayment) of short term borrowings (net)	138	(740)
Repayment of lease obligations	(32)	-
Dividend paid (including tax on dividend)	(719)	(310)
Finance cost paid	(485)	(503)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(1549)</b>	<b>(1315)</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(308)</b>	<b>242</b>
Effect of exchange rate changes on foreign currency cash and cash equivalents	30	(4)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR</b>	<b>940</b>	<b>702</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF YEAR</b>	<b>662</b>	<b>940</b>
<b>Note: Cash and cash equivalents at the end of year</b>		
Cash and cash equivalents	662	589
Current investments in mutual funds	-	351
	<b>662</b>	<b>940</b>

- 6 The figures for the quarter ended 31-Mar-2020 is the balancing figures between audited figures in respect of the full financial year and for the period upto the end of the third quarter of financial year, which were subject to limited review.
- 7 Effective 01-Apr-2019, the Group has adopted Ind AS 116 Leases using modified retrospective approach. This has resulted in recognizing right of use assets and lease liability as on 01-Apr-2019. The adoption of the standard did not have any material impact to the financial results.
- 8 Exceptional items for the year ended 31-Mar-2019 relates to impairment provision of certain intangible assets, intangible assets under development and goodwill recognised with respect to the acquisition of Bio-Pharm, Inc. (merged with Torrent Pharma Inc. with effect from 01-Jan-2019) and product recalls made during the year ended 31-Mar-2019.
- 9 The US Government enacted Coronavirus Aids, Relief and Economic Security Act (CARES Act) on 27-Mar-2020 in response to COVID-19 pandemic. Torrent Pharma Inc., wholly owned subsidiary, elected to carry back Net Operating Losses (NOLs) of current and preceding financial years to set off against taxable profits of earlier years. Accordingly, one time tax benefit of Rs. 53 crores for the year ended 31 March 2020 has been recognised.
- 10 In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Group has adopted measures to curb the spread of infection in order to protect the health of its employees and ensure business continuity with minimal disruption.

The Group has considered internal and external information while finalizing various estimates and recoverability of assets in relation to its financial statement captions upto the date of approval of the financial statements by the Board of Directors. Considering the Group is in the business of manufacturing and supplying pharmaceutical products which is categorized under essential goods, management believes that the impact of the pandemic may not be significant. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID -19 situation evolves in India and globally. The Group will continue to closely monitor any material changes to future economic conditions.

- 11 The figures for the corresponding previous period have been restated/regrouped wherever necessary, to make them comparable.

For TORRENT PHARMACEUTICALS LIMITED

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Digitally signed by SAMIR UTTAMLAL MEHTA  
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Place : Ahmedabad, Gujarat  
Date : 26-May-2020

SAMIR MEHTA  
Executive Chairman