

TORRENT PHARMACEUTICALS LIMITED

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(Rs. in crores except per share data)

Statement of Consolidated Financial Results for the Quarter and Half Year ended 30-Sep-2023

Particulars	Quarter ended (Unaudited)			Half Year ended (Unaudited)		Year ended (Audited)
	30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	31-Mar-2023
Income						
Net sales	2628	2548	2261	5176	4553	9464
Other operating income	32	43	30	75	85	156
Revenue from operations (net)	2660	2591	2291	5251	4638	9620
Other income	26	34	16	60	46	45
Total income	2686	2625	2307	5311	4684	9665
Expenses						
Cost of materials consumed	433	435	350	868	742	1480
Purchases of stock-in-trade	292	250	225	542	471	1089
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(65)	(35)	66	(100)	88	166
Employee benefits expense	503	499	394	1002	814	1678
Finance costs	91	103	69	194	124	333
Depreciation, amortisation and impairment expense	201	191	163	392	318	707
Other expenses	672	651	577	1323	1132	2365
Total expenses	2127	2094	1844	4221	3689	7818
Profit before exceptional items and tax	559	531	463	1090	995	1847
Exceptional items (Refer Note 7)	-	-	-	-	-	-
Profit before tax	559	531	463	1090	995	1847
Tax expense						
Current tax	116	94	81	210	185	355
Deferred tax charge	53	59	70	112	144	228
Short provision of earlier periods	4	-	-	4	-	19
Total tax expense	173	153	151	326	329	602
Net profit for the period	386	378	312	764	666	1245
Attributable to :						
- Owners of the company	386	378	312	764	666	1245
- Non controlling Interest	-	-	-	-	-	-
Other comprehensive income						
Items that will not be reclassified subsequently to profit or loss	(3)	(8)	(10)	(11)	(12)	9
Income tax relating to items that will not be reclassified subsequently to profit or loss	1	3	3	4	4	(5)
Items that will be reclassified subsequently to profit or loss	(22)	66	(65)	44	(169)	(179)
Income tax relating to items that will be reclassified subsequently to profit or loss	1	(21)	13	(20)	38	38
Total other comprehensive income	(23)	40	(59)	17	(139)	(137)
Total comprehensive Income	363	418	253	781	527	1108
Attributable to :						
- Owners of the company	363	418	253	781	527	1108
- Non controlling Interest	-	-	-	-	-	-
Paid-up equity share capital (Face value of Rs. 5 each)	169.23	169.23	169.23	169.23	169.23	169.23
Other equity excluding revaluation reserves						6029
Earnings per share (of Rs. 5/- each) (not annualised for the quarter) :						
Basic	11.39	11.18	9.22	22.57	19.67	36.79
Diluted	11.39	11.18	9.22	22.57	19.67	36.79



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 23-Oct-2023. The statutory auditors have carried out review 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.
- 3 The Group operates in a single segment i.e. Generic Formulation Business.
- 4 **Consolidated Balance Sheet**

Particulars	(Rs. in crores)	
	Unaudited As at 30-Sep-2023	Audited As at 31-Mar-2023
ASSETS		
Non-current assets		
Property, plant and equipment	3046	2627
Capital work-in-progress	263	688
Right-of-use assets	146	145
Goodwill	337	338
Other intangible assets	4751	5012
Intangible assets under development	89	77
Financial assets		
Investments	43	43
Loans	2	2
Other financial assets	55	49
	100	94
Income tax assets (net)	105	136
Deferred tax assets (net)	576	544
Other non-current assets	44	22
Sub-total - Non-current assets	9457	9683
Current assets		
Inventories	2218	2230
Financial assets		
Investments	234	156
Trade receivables	1752	1944
Cash and cash equivalents	538	508
Bank balances other than cash and cash equivalents	18	63
Loans	3	2
Other financial assets	154	108
	2699	2781
Other current assets	355	303
Sub-total - Current assets	5272	5314
Non-current assets held for sale	15	15
TOTAL - ASSETS	14744	15012



Particulars	(Rs. in crores)	
	Unaudited	Audited
	As at 30-Sep-2023	As at 31-Mar-2023
EQUITY AND LIABILITIES		
Equity		
Equity share capital	169	169
Other Equity	6538	6029
Sub-total - Equity	6707	6198
Non-current liabilities		
Financial liabilities		
Borrowings	2110	2496
Lease Liabilities	51	53
Other financial liabilities	9	21
	2170	2570
Provisions	408	393
Deferred tax liabilities (net)	560	402
Other non-current liabilities	1	2
Sub-total - Non-current liabilities	3139	3367
Current liabilities		
Financial liabilities		
Borrowings	2306	2801
Lease Liabilities	22	18
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	20	18
Total outstanding dues of creditors other than micro enterprises and small enterprises	1641	1661
Other financial liabilities	373	421
	4362	4919
Provisions	405	394
Current tax liabilities (net)	8	31
Other current liabilities	123	103
Sub-total - Current liabilities	4898	5447
TOTAL - EQUITY AND LIABILITIES	14744	15012

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Consolidated Statement of Cash Flows

Particulars	(Rs. in crores)	
	Unaudited	
	Half year ended 30-Sep-2023	Half year ended 30-Sep-2022
CASH FLOWS FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	1090	995
Adjustments for :		
Depreciation, amortization and impairment expense	392	318
Allowance for credit loss (net)	1	2
Unrealised foreign exchange (gain), (net)	(19)	(98)
(Gain) / Loss on sale/discard/write-off of property, plant & equipments*	(4)	0
Net gain on sale of current investments	(9)	(9)
Finance costs	194	124
Interest income	(6)	(1)
	1639	1331
Adjustments for changes in working capital :		
Trade receivables	191	(123)
Loans and other assets	(43)	96
Inventories	12	135
Trade payables	(18)	(197)
Liabilities and provisions	(35)	(14)
CASH GENERATED FROM OPERATIONS	1746	1228
Income taxes paid (net of refund)	(206)	(189)
NET CASH FROM OPERATING ACTIVITIES	1540	1039



(Rs. in crores)

Particulars	Unaudited	
	Half year ended 30-Sep-2023	Half year ended 30-Sep-2022
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments and intangible assets (including payment towards capital work-in-progress and capital advances)	(179)	(305)
Proceeds from sale of property, plant & equipments and intangible assets	31	3
Investments in mutual funds (net)	(69)	(270)
Fixed deposits matured (net)	44	3
Interest received	7	1
NET CASH USED IN INVESTING ACTIVITIES	(166)	(568)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	-	895
Repayment of long-term borrowings	(893)	(549)
Proceeds from / (Repayment of) short term borrowings (net)	3	(360)
Repayment of lease obligations	(12)	(11)
Dividend paid	(271)	(389)
Finance costs paid	(171)	(106)
NET CASH USED IN FINANCING ACTIVITIES	(1344)	(520)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	30	(49)
Effect of exchange rate changes on foreign currency cash and cash equivalents *	(0)	(5)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	508	398
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	538	344

* Less than Rs.1 crore

- 6 The Parent Company had acquired 100% shares of Curatio Health Care (I) Private Limited ('Curatio') including its two subsidiaries, on 14-Oct-2022, for a total consideration of Rs. 2,000 crores. The Board of Directors of the Company, at its meeting held on 21-Dec-2022, had approved the Scheme of Arrangement in the nature of Amalgamation ('Scheme') of Curatio with the Parent Company subject to requisite statutory and regulatory approvals. The Scheme was filed and approved by the National Company Law Tribunal ('NCLT'), Ahmedabad Bench on 17-May-2023. The Parent Company had accounted for the transaction in accordance with Ind AS 103, "Business Combinations", and fair value of identifiable assets acquired and liabilities assumed as at appointed date pertaining to Curatio was recognised in the consolidated financial results of the Group based on purchase price allocation as determined by independent valuer.
- 7 Pursuant to acquisition of Curatio, the Group had recognised deferred tax liability of Rs. 459 Crores, being the difference between book base and tax base with a corresponding effect as part of Goodwill. As a result of amalgamation referred to in note 6 above and consequent alignment between book base and its tax base, the deferred tax liability and the corresponding goodwill was reversed during the year ended 31-Mar-2023.
- 8 Refer Annexure I for disclosure required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

For TORRENT PHARMACEUTICALS LIMITED

Place : Ahmedabad, Gujarat
Date : 23-Oct-2023



SAMIR MEHTA
Executive Chairman
DIN : 00061903

Additional Disclosure as per regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Regulation No.	Quarter ended			Half Year ended		Year ended
		30-Sep-2023	30-Jun-2023	30-Sep-2022	30-Sep-2023	30-Sep-2022	
Paid up debt capital		928	928	916	928	916	1273
Net worth	52(4)(f)	6707	6616	6091	6707	6091	6198
Debt redemption reserve	52(4)(e)	107	107	143	107	143	107
Debt equity ratio (in times)	52(4)(a)	0.66	0.74	0.66	0.66	0.66	0.85
Debt service coverage ratio (in times)	52(4)(b)	3.59	0.82	1.27	1.33	1.83	1.89
Interest service coverage ratio (in times)	52(4)(c)	8.04	7.13	8.89	7.56	10.12	7.55
Current ratio (in times)	52(4)(i)	1.08	1.03	1.35	1.08	1.35	0.98
Long term debt to working capital (in times)	52(4)(j)	2.87	3.81	1.41	2.87	1.41	3.85
Bad debts to Account receivables ratio (in times)	52(4)(k)	0.01	0.01	0.01	0.01	0.01	0.01
Current liability ratio (in times)	52(4)(l)	0.61	0.62	0.55	0.61	0.55	0.62
Total debts to total assets (in times)	52(4)(m)	0.30	0.33	0.30	0.30	0.30	0.35
Debtors turnover (in times) (Annualised)	52(4)(n)	5.88	5.41	5.27	5.60	5.38	5.29
Inventory turnover (in times) (Annualised)	52(4)(o)	4.80	4.64	3.82	4.65	3.80	4.03
Operating margin (in %)	52(4)(p)	31.9%	31.7%	30.3%	31.8%	31.0%	29.9%
Net profit margin (in %)	52(4)(q)	14.5%	14.6%	13.6%	14.5%	14.4%	12.9%

Ratios have been computed as follows :-

- (a) Debt equity ratio : Total debt / Net worth
Total debt: Long term borrowings (Incl. current maturities of long term borrowings) + Short term 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 + Exceptional items) / (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 + Exceptional items) / Interest on debt and lease
- (d) Current Ratio : Current assets / Current liabilities
- (e) Long term debt to working capital : Long term debt (incl. current maturities of borrowings) / Net working capital
Net Working capital : Current assets - Current liabilities (excl. current maturities of long term borrowings)
- (f) Bad debts to Account receivables ratio : Allowances for credit loss / Gross trade receivables
- (g) Current liability ratio : Current liabilities / Total liabilities (excl. total equity)
- (h) Total debts to total assets : Total borrowing / Total assets
Total borrowing : long term borrowings + current maturities of long term borrowings + short term borrowings
- (i) Debtors turnover : Net sales / Average trade receivables
- (j) Inventory turnover : Net sales / Average Inventories
- (k) Operating margin % : Revenue from operations (net) - (cost of goods sold + employee benefits + other expenses) + (other income - interest income - Dividend income) / Revenue from operations (net)
- (l) Net profit margin % : Profit after tax / Revenue from operations (net)

