



TORRENT PHARMACEUTICALS LIMITED

Registered Office: Torrent House, Off Ashram Road, Ahmedabad - 380 009, Ph.: +91 79 26599000 Fax: + 91 79 26582100

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 Year Ended 31-Mar-2020					
Particulars	Quarter ended			Year ended	
	31-Mar-2020	31-Dec-2019	31-Mar-2019	31-Mar-2020	31-Mar-2019
Revenue					
Net sales	1457	1436	1319	6026	5557
Other operating income	34	35	38	142	205
Revenue from operations (net)	1491	1471	1357	6168	5762
Other income	21	62	227	237	382
Total revenue	1512	1533	1584	6405	6144
Expenses					
Cost of materials consumed	326	330	341	1353	1207
Purchases of stock-in-trade	103	85	88	341	343
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(54)	2	(23)	(57)	(5)
Employee benefits expense	258	262	256	1062	1014
Finance costs	96	106	119	430	481
Depreciation and amortisation expense	155	152	147	607	579
Other expenses	433	344	401	1552	1590
Total expenses	1317	1281	1329	5288	5209
Profit before tax	195	252	255	1117	935
Tax expense					
Current Tax	34	42	57	192	194
Deferred Tax	(7)	(10)	34	(14)	(4)
Total tax expense	27	32	91	178	190
Net profit for the period	168	220	164	939	745
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss	(3)	(5)	2	(17)	(8)
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	(91)	(44)	59	(160)	43
Income tax relating to items that will be reclassified subsequently to profit or loss	32	15	(21)	56	(15)
Total other comprehensive income	(61)	(32)	40	(115)	23
Total comprehensive income	107	188	204	824	768
Paid-up equity share capital (Face value of Rs. 5 each)	84.62	84.62	84.62	84.62	84.62
Paid up Debt Capital				1707	1957
Other Equity excluding Revaluation Reserves				5036	4930
Networth				5121	5015
Debenture Redemption Reserve				352	489
Earnings per share (of Rs. 5/- each) (not annualised for the quarter):					
Basic	9.91	12.97	9.73	55.46	44.05
Diluted	9.91	12.97	9.73	55.46	44.05
Debt Equity Ratio				0.89	0.98
Debt Service Coverage Ratio				1.22	1.54
Interest Service Coverage Ratio				4.58	3.76

Ratios have been computed as follows :-

(a) Debt Equity Ratio : Debt / Net Worth

Debt: Long term borrowings + Lease Obligation (Current & Non Current Portion)

Net worth: Share Capital + Reserves & Surplus

(b) Debt Service Coverage Ratio : (Profit After tax + Deferred Tax + Depreciation and Amortisation + Interest on term & working capital debt) / (Interest on term & working capital debt + Principal repayments of Long term debt)

(c) Interest Service Coverage Ratio: (Profit After tax + Deferred Tax + Depreciation and Amortisation + Interest on term & working capital debt) / (Interest on term & working capital debt)

Notes:

1 The above results were reviewed by the Audit Committee and approved by the Board of Directors 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 Company operates in a single segment i.e Generic Formulation Business.

3 **Standalone Statement of Assets and Liabilities**

(Rs. in crores)

Particulars	Audited	
	As at 31-Mar-2020	As at 31-Mar-2019
ASSETS		
Non-current assets		
Property, plant and equipment	2701	2673
Right-of-use assets	112	-
Capital work-in-progress	513	471
Goodwill	244	244
Other intangible assets	4140	4508
Intangible assets under development	23	27
Financial assets		
Investments	135	135
Loans	2	3
Other Financial Assets	28	77
	165	215
Income tax assets (net)	80	67
Deferred tax assets (net)	68	-
Other non-current assets	19	73
Sub-total - Non-current assets	8065	8278
Current assets		
Inventories	1508	1358
Financial assets		
Investments*	0	351
Trade receivables	1509	1356
Cash and cash equivalents	387	93
Bank balances other than cash and cash equivalents	4	145
Loans	4	4
Other Financial Assets	23	45
	1927	1994
Other current assets	413	397
Non-current assets held for sale*	-	0
Sub-total - Current assets	3848	3749
TOTAL - ASSETS	11913	12027

(Rs. in crores)

Particulars	Audited	
	As at 31-Mar-2020	As at 31-Mar-2019
EQUITY AND LIABILITIES		
Equity		
Share capital	85	85
Other Equity	5036	4930
Sub-total - Equity	5121	5015
Non-current liabilities		
Financial Liabilities		
Borrowings	3140	3740
Other financial liabilities	54	9
	3194	3749
Provisions	177	164
Deferred tax liabilities (net)	-	7
Other non-current liabilities	5	4
Sub-total - Non-current liabilities	3376	3924
Current liabilities		
Financial Liabilities		
Borrowings	789	727
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	697	575
Other financial liabilities	1649	1420
	3148	2729
Provisions	94	84
Other current liabilities	174	275
Sub-total - Current liabilities	3416	3088
TOTAL - EQUITY AND LIABILITIES	11913	12027

* Less than Rs. 1 crore

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Cash Flow Statement

(Rs. in crores)

Particulars	Audited	
	Year ended 31-Mar-2020	Year ended 31-Mar-2019
CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	1117	935
Adjustments for :		
Depreciation and amortization expense	607	579
Allowance for doubtful trade receivables (net)	1	1
Unrealised foreign exchange (gain) / loss (net)	(77)	109
Share of profit from partnership firm	-	(1)
Loss on sale / discard / write-off of property, plant & equipments	8	3
Net gain on sale of investments	(30)	(46)
Finance cost	430	481
Interest income	(6)	(18)
Dividend income	(77)	(287)
	1973	1756

(Rs. in crores)

Particulars	Audited	
	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Adjustments for changes in working capital :		
Trade receivables, loans and other assets	(83)	(233)
Inventories	(149)	(59)
Trade payables, liabilities and provisions	45	(24)
CASH GENERATED FROM OPERATIONS	1786	1440
Direct taxes paid	(207)	(208)
NET CASH FROM OPERATING ACTIVITIES	1579	1232
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment and Intangible assets	(346)	(616)
Proceeds from sale of property, plant & equipments	2	2
Purchase of investment in equity shares	-	(2)
Sale of government securities	-	15
Refund of partner's capital on dissolution of partnership firm	-	18
Net gain on sale of investments	30	46
Dividend received	77	287
Fixed deposits matured / (Investment in fixed deposits)	141	(141)
Interest received	15	18
NET CASH USED IN INVESTING ACTIVITIES	(81)	(373)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	750	750
Repayment of long-term borrowings	(1163)	(690)
Proceeds from / (repayment of) short term borrowings (net)	63	(314)
Proceeds from loan repaid by subsidiary	-	116
Repayment of lease obligations	(20)	-
Dividend paid (including tax on dividend)	(719)	(310)
Finance cost paid	(466)	(480)
NET CASH USED IN FINANCING ACTIVITIES	(1555)	(928)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(57)	(69)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	444	513
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	387	444
Note:		
Cash and cash equivalents at the end of year		
Cash and cash equivalents	387	93
Current investment in mutual funds	-	351
	387	444

- 5 The figures for the quarter ended 31-Mar-2020 and 31-Mar-2019 is the balancing figure between audited figures in respect of the full financial year and for the period upto the end of the third quarter of relevant financial year.
- 6 The listed non-convertible debentures of the company aggregating Rs. 1707 crores as on 31-Mar-2020 (previous year ended Rs. 1957 crores) are secured by way of first pari passu charge created through mortgage on certain specified immovable & movable assets and hypothecation of identified trademarks of the Company and the asset cover thereof exceeds hundred percent of the principal amount of the said debentures.
- 7 Effective 01-Apr-2019, the Company 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 In March 2020, the World Health Organisation declared COVID-19 to be a pandemic. The Company 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 Company 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 Company 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 Company will continue to closely monitor any material changes to future economic conditions.

9 **Disclosures pertaining to Fund raising by issuance of Debt Securities by Large Corporate:**

The Company, as per the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144, and the definitions therein, is a Large Corporate and hence is required to disclose the following information :

Details related to identification as a Large Corporate :

Sr. No.	Particulars	Details
1	Name of the company	Torrent Pharmaceuticals Limited
2	CIN	L24230GJ1972PLC002126
3	Outstanding borrowing of Company as of 31-Mar-2020	Rs. 4409 crores*
4	Highest credit rating during the previous financial year with name of credit rating agency	Credit Rating given by ICRA: • AA@ for long term debt • A1+@ for short term papers Credit Rating given by India Rating: • AA (Stable) for long term debt
5	Name of stock exchange in which fine shall be paid in case of shortfall in the required borrowing under the framework	National Stock Exchange of India Limited (NSE)

* excluding impact of foreign currency revaluation

@ placed on rating watch with negative implications

Details of incremental borrowings done during the financial year ended 31-Mar-2020 :

Sr. No.	Particulars	Details
1	Incremental borrowing done in financial year (a)	Rs. 750 crores
2	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	Rs. 187.50 crores
3	Actual borrowings done through debt securities in financial year (c)	Rs. 300 crores
4	Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) - (c)	Nil
5	Reasons for short fall, if any, in mandatory borrowings through debt securities	Not Applicable

- 10 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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SAMIR UTTAMLAL
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Date: 2020.05.26
16:27:55 +05'30'

Place : Ahmedabad, Gujarat

Date : 26-May-2020

SAMIR MEHTA
Executive Chairman