

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-2020

Particulars	Quarter ended (Unaudited)			Half Year ended (Unaudited)		Year ended (Audited)
	30-Sep-2020	30-Jun-2020	30-Sep-2019	30-Sep-2020	30-Sep-2019	31-Mar-2020
Revenue						
Net sales	1985	2014	1968	3999	3944	7780
Other operating income	32	42	37	74	83	159
Revenue from operations (net)	2017	2056	2005	4073	4027	7939
Other income	6	4	34	10	54	122
Total revenue	2023	2060	2039	4083	4081	8061
Expenses						
Cost of materials consumed	364	345	331	709	707	1377
Purchases of stock-in-trade	273	283	210	556	420	923
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(83)	(93)	(3)	(176)	(30)	(133)
Employee benefits expense	363	373	358	736	739	1429
Finance costs	92	102	116	194	238	451
Depreciation amortisation and impairment expense	165	161	163	326	323	654
Other expenses	465	487	568	952	1109	2173
Total expenses	1639	1658	1743	3297	3506	6874
Profit before tax	384	402	296	786	575	1187
Tax expense						
Current Tax	72	82	74	154	158	260
Deferred Tax	2	(1)	(23)	1	(43)	(59)
Short provision of earlier periods	-	-	1	0	0	14
One time impact on current and deferred tax due to change in law (Refer note 6)	-	-	-	-	-	(53)
Total tax expense	74	81	52	155	115	162
Net Profit for the period	310	321	244	631	460	1025
Attributable to :						
- Owners of the company	310	321	244	631	460	1025
- Non controlling Interest	-	-	-	-	-	-
Other Comprehensive Income						
Items that will not be reclassified subsequently to profit or loss	4	(6)	(6)	(2)	(9)	(20)
Income tax relating to items that will not be reclassified subsequently to profit or loss	(1)	2	2	1	3	6
Items that will be reclassified subsequently to profit or loss	89	32	(40)	121	(33)	(234)
Income tax relating to items that will be reclassified subsequently to profit or loss	(30)	(13)	12	(43)	9	56
Total other comprehensive income	62	15	(32)	77	(30)	(192)
Total Comprehensive Income	372	336	212	708	430	833
Attributable to :						
- Owners of the company	372	336	212	708	430	833
- Non controlling Interest	-	-	-	-	-	-
Paid-up equity share capital (Face value of Rs. 5 each)	84.62	84.62	84.62	84.62	84.62	84.62
Other Equity excluding Revaluation Reserves				5446	4988	4739
Earnings per share (of Rs. 5/- each) (not annualised for the quarter):						
Basic	18.32	18.98	14.48	37.30	27.22	60.55
Diluted	18.32	18.98	14.48	37.30	27.22	60.55

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-Oct-2020. The auditor 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 fifteen wholly owned subsidiaries.
- 3 The Group operates in a single segment i.e Generic Formulation Business.
- 4 Consolidated Statement of Assets and Liabilities :

(Rs. in crores)

Particulars	Unaudited	Audited
	As at 30-Sep-2020	As at 31-Mar-2020
ASSETS		
Non-current assets		
Property, plant and equipment	2755	2818
Right-of-use assets	140	135
Capital work-in-progress	687	577
Goodwill	341	342
Other intangible assets	4036	4238
Intangible assets under development	142	135
Financial assets		
Investments	2	2
Loans	2	2
Other financial assets	137	127
	141	131
Income tax assets (net)	79	189
Deferred tax assets (net)	386	433
Other non-current assets	47	31
Sub-total - Non-current assets	8754	9029
Current assets		
Inventories	2541	2148
Financial assets		
Investments*	560	0
Trade receivables	1556	1649
Cash and cash equivalents	467	662
Bank balances other than cash and cash equivalents	5	4
Loans	3	4
Other financial assets	65	82
	2656	2401
Other current assets	521	458
Non-current assets held for sale*	0	2
Sub-total - Current assets	5718	5009
TOTAL - ASSETS	14472	14038

Particulars	(Rs. in crores)	
	Unaudited	Audited
	As at 30-Sep-2020	As at 31-Mar-2020
EQUITY AND LIABILITIES		
Equity		
Share capital	85	85
Other Equity	5446	4739
Sub-total - Equity	5531	4824
Non-current liabilities		
Financial Liabilities		
Borrowings	3657	3275
Other financial liabilities	47	111
	3704	3386
Provisions	353	338
Other non-current liabilities	7	8
Sub-total - Non-current liabilities	4064	3732
Current liabilities		
Financial Liabilities		
Borrowings	295	1091
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	23	13
Total outstanding dues of creditors other than micro enterprises and small enterprises	2286	2063
Other financial liabilities	1725	1754
	4329	4921
Provisions	427	419
Current tax liabilities (net)	31	35
Other current liabilities	90	107
Sub-total - Current liabilities	4877	5482
TOTAL - EQUITY AND LIABILITIES	14472	14038

* Less than Rs. 1 crore

5 Consolidated Cash Flow Statement

Particulars	(Rs. in crores)	
	Unaudited	
	Half Year ended 30-Sep-2020	Half Year ended 30-Sep-2019
CASH FLOW FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	786	575
Adjustments for :		
Depreciation, amortization and impairment expense	326	323
Allowance for doubtful trade receivables (net)*	0	1
Unrealised foreign exchange (gain) / loss, net	51	(62)
Loss on sale/discard/write-off of property, plant & equipments*	0	5
Net gain on sale of current investments	(6)	(15)
Finance cost	194	238
Interest income	(2)	(5)
	1349	1060
Adjustments for changes in working capital :		
Trade receivables, loans and other assets	(40)	(22)
Inventories	(393)	(25)
Trade payables, liabilities and provisions	265	(167)
CASH GENERATED FROM OPERATIONS	1181	846
Direct taxes paid (net of refund)	(49)	(130)
NET CASH FROM OPERATING ACTIVITIES	1132	716

(Rs. in crores)

Particulars	Unaudited	
	Half Year ended 30-Sep-2020	Half Year ended 30-Sep-2019
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipment and Intangible assets	(181)	(149)
Proceeds from sale of property, plant & equipment and Intangible assets	2	1
Net gain on sale of current investments	6	15
Fixed deposits matured (net)	-	57
Interest received	2	7
NET CASH USED IN INVESTING ACTIVITIES	(171)	(69)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	795	550
Repayment of long-term borrowings	(448)	(409)
Repayment of short term borrowings (net)	(789)	(587)
Repayment of lease obligations	(16)	(16)
Dividend paid (including tax on dividend)	-	(68)
Finance cost paid	(144)	(192)
NET CASH USED IN FINANCING ACTIVITIES	(602)	(722)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	359	(75)
Effect of exchange rate changes on foreign currency cash and cash equivalents	6	(1)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	662	940
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	1027	864
Note: Cash and cash equivalents at the end of period		
Cash and cash equivalents	467	415
Current investments in mutual funds	560	449
	1027	864

* Less than Rs. 1 crore

- 6 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 was recognised.
- 7 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 results by the Board of Directors. The impact of Covid-19 may be different from what is estimated as at such date of approval of the financial results and the Group will continue to monitor any material changes to future economic conditions.
- 8 The figures for the corresponding previous period have been restated/regrouped wherever necessary, to make them comparable.

For TORRENT PHARMACEUTICALS LIMITED

Place : Ahmedabad, Gujarat
Date : 26-Oct-2020

SAMIR MEHTA
Executive Chairman