

**TORRENT PHARMACEUTICALS LIMITED**

**AUDITED FINANCIAL RESULTS FOR THE YEAR 2007-08**

[ Rs. in lacs except per share data ]

PARTICULARS	QUARTER ENDED		YEAR ENDED	
	31-Mar-2008	31-Mar-2007	31-Mar-2008	31-Mar-2007
Sales (see note 2)	22250	22135	97549	87851
Less: Excise Duty collected	117	136	599	1226
<b>Net Sales</b>	<b>22133</b>	<b>21999</b>	<b>96950</b>	<b>86625</b>
Other Operating Income	687	452	2640	1665
Other Income	296	70	465	237
<b>Total Income</b>	<b>23116</b>	<b>22521</b>	<b>100055</b>	<b>88527</b>
<b>Expenditure</b>				
(Increase)/Decrease in Stock in Trade	905	(38)	2045	(3078)
Consumption of Raw/Packing Materials	7092	6557	28487	26801
Purchase of Traded Goods	1013	1089	5084	7620
Employees Cost	2641	2744	11482	11067
Research and Development Expenses	2543	2256	9141	7396
Depreciation and Amortisation	815	809	3274	3024
Other Expenditure	5274	5635	22118	21972
<b>Total Expenditure</b>	<b>20283</b>	<b>19052</b>	<b>81631</b>	<b>74802</b>
Net Borrowing Costs	521	312	1840	1315
<b>Profit from Ordinary Activities before tax</b>	<b>2312</b>	<b>3157</b>	<b>16584</b>	<b>12410</b>
Tax expense (see note 5)	(770)	(81)	1032	1114
<b>Net Profit from Ordinary Activities after tax</b>	<b>3082</b>	<b>3238</b>	<b>15552</b>	<b>11296</b>
Paid-up Equity Share Capital [Face Value Rs.5]	4231	4231	4231	4231
Reserves excluding Revaluation Reserves	-	-	54294	42207
Basic and Diluted EPS for the period	3.64	3.83	18.38	13.35
Public shareholding				
Number of shares	-	-	21922832	21919832
Percentage of shareholding	-	-	25.91%	25.91%

**Notes to Stand-alone Audited Results :**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors, in their respective meetings held on 06-May-08. There is no qualification in the Auditors Report on this statement of financial results.
- 2 The Company operates a solitary business segment viz. pharmaceuticals, comprising mainly manufacture of branded formulations. A further breakdown of pharmaceutical sales is given below.

Particulars	Rs. in lacs					
	Quarter Ended			Year Ended		
	31-Mar-08	31-Mar-07	Growth %	31-Mar-08	31-Mar-07	Growth %
Domestic Formulations	11893	11925	-	58732	55665	6%
Exports	6868	7273	(6%)	23591	20168	17%
Contract Manufacture	3409	2919	17%	14902	11850	26%
Others	80	18	-	324	168	-
<b>Gross Sales</b>	<b>22250</b>	<b>22135</b>	<b>1%</b>	<b>97549</b>	<b>87851</b>	<b>11%</b>
Less : Excise duty	117	136	-	599	1226	-
<b>Net Sales</b>	<b>22133</b>	<b>21999</b>	<b>1%</b>	<b>96950</b>	<b>86625</b>	<b>12%</b>

- 3 During the quarter, the Company further invested Rs. 205.38 lacs in equity shares of, Laboratorios Torrent, S.A. De C.V., its wholly owned subsidiary in Mexico.
- 4 Derivative contracts to which Accounting Standard 11 [AS 11], The Effects of Changes in Foreign Exchange Rate is applicable, are recognised and measured as required by AS 11. Exchange differences on such contracts are recognised in the profit and loss account in the period in which the exchange rates change. From the current quarter, remaining derivatives contracts are marked-to-market at the reporting date and resulting loss, if any, is recognised in the profit and loss account in terms of Announcement on Accounting of Derivatives by Institute of Chartered Accountants of India dated 29-Mar-08. For the current quarter there is no marked-to-market loss charged to the profit and loss account.
- 5 The Minimum Alternate Tax ["MAT"] liability in excess of liability for income-tax under the normal tax regime is available for set-off during next 7 years against the income-tax under normal tax regime for those years. Company has reviewed the treatment of MAT paid for the year as per Guidance note on accounting for credit available in respect of minimum alternate tax under the Income Tax Act 1961, issued by the Institute of Chartered Accountants of India. The Company is of the view that the MAT paid for the year amounting to Rs 1699 lacs (Rs.1596 lacs pertaining to previous 3 quarters of the current year and charged to the profit and loss account of those quarters, now reversed), will be realised by way of set-off during the specified period. Accordingly MAT Credit Entitlement asset of Rs 1699 lacs, being the MAT in excess of tax under normal tax regime for the year, is recognised during the quarter.
- 6 The Board of Directors have proposed equity dividend of Rs 3.50 (previous year Rs 3) per equity shares of Rs 5 each. The aggregate amount of equity dividend proposed to be distributed is Rs 3465 lacs (previous year Rs 2894 lacs) including tax on distributed profits of Rs 503 lacs (previous year Rs 356 lacs).
- 7 During the quarter, 4 investor complaints were received and resolved. No complaints were pending either at the beginning or at the end of the quarter.
- 8 The Company has also prepared and published audited consolidated financial results for the quarter and year ended 31-Mar-08.

**For TORRENT PHARMACEUTICALS LIMITED**

Place : Ahmedabad  
Date : 06-May-08

sd/-  
**SUDHIR MEHTA**  
Chairman

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