

18th May, 2021

The Dy. General Manager (Listing Dept.)
BSE Limited,
Corporate Relationship Dept.,
1st Floor, New Trading Ring,
P. J. Towers, Dalal Street, Fort,
Mumbai - 400 001
(BSE Scrip Code: 500420)

The Manager – Listing Dept.,
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No. C/1, G. Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai – 400 051
(NSE Scrip Code: TORNTPHARM)

Dear Sir,

Sub.: Disclosure pursuant to Regulation 30 read with Schedule III and Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

We would like to inform that the Board has at its meeting held today approved / recommended, inter alia, the following:

- (a) Audited Financial Results (both standalone and consolidated) of the Company along with audit reports for the quarter and year ended on 31st March, 2021. The said financial results are enclosed herewith.

We declare that the aforesaid Audit Reports are with unmodified opinion.

In terms of Regulation 47 of the Listing Regulations, the Company will publish an extract of Audited Consolidated Financial Results for the quarter and year ended on 31st March, 2021. Both Audited Standalone and Consolidated Financial Results will be available at Company's website www.torrentpharma.com.

A Press Release on Financial Results which is being submitted to the media is also enclosed herewith.

- (b) Recommended to the members a final dividend of ₹ 15/- (300%) per equity share of ₹ 5 each. The final dividend amount, if declared by the Shareholders, are proposed to be paid / dispatched on or around 30th July, 2021. Earlier an interim dividend of ₹ 20/- (400%) per equity share was paid during the last quarter.

As per Regulation 42 of the Listing Regulations, the Company has fixed Friday, 18th June, 2021 as the Record Date for the said purpose. The dividend, if declared, shall be payable to those shareholders whose name appears on the Register of Members or on records of National

TORRENT PHARMACEUTICALS LIMITED

CIN: L24230GJ1972PLC002126

Reg. Office : Torrent House, Off Ashram Road, Ahmedabad- 380 009, India. Phone: +91 79 26599000, Fax: +91 79 26582100,

www.torrentpharma.com

Securities Depositories Limited or Central Depositories Services (India) Limited as beneficial owners as on said Record Date.

- (c) Recommended to the members to obtain enabling approval for issuance of Equity Shares including Convertible Bonds / Debentures through Qualified Institutional Placement (QIP) and / or Depository Receipts or any other modes for an amount not exceeding ₹ 5,000 crores in the upcoming Annual General Meeting (AGM) of the Company.

The Copy of the AGM Notice on the aforesaid proposals will be sent to you in due course.

The Board meeting commenced at 02:00 pm and concluded at 03:30 pm.

The above is for your information and record.

Thanking you,

Yours sincerely,

For TORRENT PHARMACEUTICALS LIMITED

MAHESHKUMAR AGRAWAL Digitally signed by
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MAHESH AGRAWAL
VP (LEGAL) & COMPANY SECRETARY

Encl : A/a

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
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Independent Auditors' Report

To the Board of Directors of Torrent Pharmaceuticals Limited

Report on the audit of the Standalone Annual Financial Results

Opinion

We have audited the accompanying standalone annual financial results of Torrent Pharmaceuticals Limited (hereinafter referred to as the "Company") for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 and Regulation 52 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information for the year ended 31 March 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results* section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our opinion on the standalone annual financial results.

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results

These standalone annual financial results have been prepared on the basis of the standalone annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these standalone annual financial results that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 of the Listing Regulations.

Independent Auditors' Report (*Continued*)

Torrent Pharmaceuticals Limited

Management's and Board of Directors' Responsibilities for the Standalone Annual Financial Results (*Continued*)

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone annual financial results, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial results made by the Management and Board of Directors.

Independent Auditors' Report (*Continued*)

Torrent Pharmaceuticals Limited

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results (*Continued*)

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone annual financial results, including the disclosures, and whether the standalone annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The standalone annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published audited year to date figures up to the third quarter of the current financial year.

For **B S R & Co. LLP**
Chartered Accountants

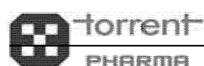
Firm's Registration No. 101248W/W-100022

JAMIL AHMED KHATRI
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AHMED KHATRI
Date: 2021.05.18
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Jamil Khatri
Partner

Place: Mumbai
Date: 18 May 2021

Membership Number: 102527
UDIN :21102527AAAAAO1884



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-2021					
Particulars	Quarter ended			Year ended	
	31-Mar-2021	31-Dec-2020	31-Mar-2020	31-Mar-2021	31-Mar-2020
Revenue					
Net sales	1443	1597	1457	6333	6026
Other operating income	25	19	34	118	142
Revenue from operations (net)	1468	1616	1491	6451	6168
Other income	91	11	21	118	237
Total revenue	1559	1627	1512	6569	6405
Expenses					
Cost of materials consumed	343	362	326	1421	1353
Purchases of stock-in-trade	96	82	103	399	341
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(57)	(27)	(54)	(150)	(57)
Employee benefits expense	257	278	258	1097	1062
Finance costs	69	87	96	339	430
Depreciation and amortisation expense	152	155	155	610	607
Other expenses	398	351	433	1487	1552
Total expenses	1258	1288	1317	5203	5288
Profit before tax	301	339	195	1366	1117
Tax expense					
Current tax	61	60	34	248	192
Deferred tax	(39)	1	(7)	(20)	(14)
Total tax expense	22	61	27	228	178
Net profit for the period	279	278	168	1138	939
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss	14	(1)	(3)	11	(17)
Income tax relating to items that will not be reclassified subsequently to profit or loss	(5)	-	1	(4)	6
Items that will be reclassified subsequently to profit or loss	21	15	(91)	158	(160)
Income tax relating to items that will be reclassified subsequently to profit or loss	(7)	(5)	32	(55)	56
Total other comprehensive income	23	9	(61)	110	(115)
Total comprehensive income	302	287	107	1248	824
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				1559	1707
Other equity excluding revaluation reserves				5945	5036
Networth				6030	5121
Debenture redemption reserve				216	352
Earnings per share (of Rs. 5/- each) (not annualised for the quarter):					
Basic	16.48	16.45	9.91	67.24	55.46
Diluted	16.48	16.45	9.91	67.24	55.46
Debt equity ratio				0.66	0.88
Debt service coverage ratio				1.19	1.23
Interest service coverage ratio				6.16	4.61

Ratios have been computed as follows :-

- (a) Debt equity ratio : Debt / Net worth
 Debt: Long term borrowings
 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 18-May-2021. 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 Balance Sheet**

(Rs. in crores)

Particulars	Audited	
	As at 31-Mar-2021	As at 31-Mar-2020
ASSETS		
Non-current assets		
Property, plant and equipment	2648	2701
Capital work-in-progress	555	513
Right-of-use assets	97	112
Goodwill	244	244
Other intangible assets	3752	4140
Intangible assets under development	33	23
Financial assets		
Investments	175	135
Loans	2	2
Other financial assets	21	28
	198	165
Income tax assets (net)	42	80
Deferred tax assets (net)	28	68
Other non-current assets	22	19
Sub-total - Non-current assets	7619	8065
Current assets		
Inventories	1912	1508
Financial assets		
Investments*	139	0
Trade receivables	1544	1509
Cash and cash equivalents	62	387
Bank balances other than cash and cash equivalents	5	4
Loans	3	4
Other financial assets	89	23
	1842	1927
Other current assets	388	385
Sub-total - Current assets	4142	3820
TOTAL - ASSETS	11761	11885

(Rs. in crores)

Particulars	Audited	
	As at 31-Mar-2021	As at 31-Mar-2020
EQUITY AND LIABILITIES		
Equity		
Equity share capital	85	85
Other equity	5945	5036
Sub-total - Equity	6030	5121
Non-current liabilities		
Financial liabilities		
Borrowings	2941	3124
Other financial liabilities	7	70
	2948	3194
Provisions	194	177
Other non-current liabilities	3	5
Sub-total - Non-current liabilities	3145	3376
Current liabilities		
Financial liabilities		
Borrowings	410	789
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	20	13
Total outstanding dues of creditors other than micro enterprises and small enterprises	629	669
Other financial liabilities	1290	1649
	2349	3120
Provisions	107	94
Other current liabilities	130	174
Sub-total - Current liabilities	2586	3388
TOTAL - EQUITY AND LIABILITIES	11761	11885

* Less than Rs. 1 crore

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Standalone Statement of Cash Flows

(Rs. in crores)

Particulars	Audited	
	Year ended 31-Mar-2021	Year ended 31-Mar-2020
CASH FLOWS FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	1366	1117
Adjustments for :		
Depreciation and amortization expense	610	607
Allowance for credit loss (net)*	0	1
Impairment of investment in subsidiary	4	-
Unrealised foreign exchange (gain) / loss (net)	5	(77)
Loss on sale / discard / write-off of property, plant & equipments*	0	8
Net gain on sale of investments	(16)	(30)
Finance costs	339	430
Interest income	(4)	(6)
Dividend income	(48)	(77)
	2256	1973

(Rs. in crores)

Particulars	Audited	
	Year ended 31-Mar-2021	Year ended 31-Mar-2020
Adjustments for changes in working capital :		
Trade receivables, loans and other assets	(76)	(70)
Inventories	(404)	(149)
Trade payables, liabilities and provisions	12	32
CASH GENERATED FROM OPERATIONS	1788	1786
Direct taxes paid (net of refunds)	(210)	(207)
NET CASH FROM OPERATING ACTIVITIES	1578	1579
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments and intangible assets (including capital work-in-progress and capital advances paid)	(202)	(346)
Proceeds from sale of property, plant & equipments	1	2
Payment for additional investment in subsidiary	(4)	-
Payment to acquire other non-current investments	(40)	-
(Investments in) / proceeds from redemption of mutual funds (net)	(123)	381
Dividend received from subsidiary	48	77
Fixed deposits matured / (investment in fixed deposits)*	(0)	141
Interest received	4	15
NET CASH (USED IN) / FROM INVESTING	(316)	270
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	895	750
Repayment of long-term borrowings	(1401)	(1163)
Net proceeds from / (repayment of) short term borrowings (net)	(379)	63
Repayment of lease obligations	(19)	(20)
Dividend paid (including tax on dividend for the year ended 31-Mar-2020)	(338)	(719)
Finance costs paid	(345)	(466)
NET CASH USED IN FINANCING ACTIVITIES	(1587)	(1555)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(325)	294
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	387	93
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	62	387

* Less than Rs. 1 crore

The Company considers investing in liquid mutual fund as an important part of its cash management activities. In accordance with Ind AS 7, the same is presented as cash flows from investing activities. As at 31-Mar-2021, investment amount is Rs. 139 crores.

- 5 The figures for the quarter ended 31-Mar-2021 and 31-Mar-2020 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. 1259 crores as at 31-Mar-2021 (previous year ended Rs. 1407 crores) are secured by way of first pari passu charge 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 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 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 Company will continue to monitor any material changes to future economic conditions.

8 **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-2021	Rs. 3974 crores
4	Highest credit rating during the previous financial year with name of credit rating agency	Credit Rating given by ICRA: <ul style="list-style-type: none"> • AA for long term debt • A1+ for short term papers Credit Rating given by India Rating: <ul style="list-style-type: none"> • 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)

Details of incremental borrowings done during the financial year ended 31-Mar-2021 :

Sr. No.	Particulars	Details
1	Incremental borrowing done in financial year (a)	Rs. 895.00 crores
2	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	Rs. 223.75 crores
3	Actual borrowings done through debt securities in financial year (c)	Rs. 395.00 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	Not Applicable

9 The Board of Directors in their meeting held on 18-May-2021, recommended a final equity dividend of Rs. 15/- per equity share.

10 On 25-Mar-2021, the Company made investment of Rs. 40.00 crores in ABCD Technologies LLP (to be renamed as IndoHealth Services LLP).

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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Date: 2021.05.18
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Place : Ahmedabad, Gujarat

Date : 18-May-2021

SAMIR MEHTA
Executive Chairman

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

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Independent Auditors' Report

To the Board of Directors of Torrent Pharmaceuticals Limited

Report on the audit of the Consolidated Annual Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of Torrent Pharmaceuticals Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the year ended 31 March 2021, attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

- a. include the annual financial results of the following entities

	Name of the entity	Relationship
1	Zao Torrent Pharma	Wholly Owned Subsidiary
2	Torrent Do Brasil Ltda	Wholly Owned Subsidiary
3	Torrent Pharma Gmbh	Wholly Owned Subsidiary
4	Heumann Pharma Gmbh & Co. Generica KG	Wholly Owned Step down Subsidiary
5	Heunet Pharma Gmbh	Wholly Owned Step down Subsidiary
6	Norispharm Gmbh (Liquidated with effect from 16 March 2021)	Wholly Owned Step down Subsidiary
7	Torrent Pharma Inc.	Wholly Owned Subsidiary
8	Torrent Pharma Philippines Inc.	Wholly Owned Subsidiary
9	Laboratorios Torrent, S.A. de C.V	Wholly Owned Subsidiary
10	Torrent Australasia Pty Ltd	Wholly Owned Subsidiary
11	Torrent Pharma (Thailand) Co., Ltd.	Wholly Owned Subsidiary
12	Torrent Pharma S.R.L.	Wholly Owned Subsidiary
13	Torrent Pharma (UK) Ltd.	Wholly Owned Subsidiary
14	Laboratories Torrent (Malaysia) SDN.BHD.	Wholly Owned Subsidiary
15	Torrent Pharma France S.A.S	Wholly Owned Subsidiary

- b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

Independent Auditors' Report (*Continued*)

Torrent Pharmaceuticals Limited

Opinion (*Continued*)

- c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of consolidated net profit and other comprehensive income and other financial information of the Group for the year ended 31 March 2021.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Companies Act, 2013 (“the Act”). Our responsibilities under those SAs are further described in the *Auditor’s Responsibilities for the Audit of the Consolidated Annual Financial Results* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated annual financial results.

Management’s and Board of Directors’ Responsibilities for the Consolidated Annual Financial Results

These consolidated annual financial results have been prepared on the basis of the consolidated annual financial statements.

The Holding Company’s Management and the Board of Directors are responsible for the preparation and presentation of these consolidated annual financial results that give a true and fair view of the consolidated net profit and other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated annual financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated annual financial results, the Management and the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Independent Auditors' Report (*Continued*)

Torrent Pharmaceuticals Limited

Management's and Board of Directors' Responsibilities for the Consolidated Annual Financial Results (*Continued*)

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial results made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual financial results, including the disclosures, and whether the consolidated annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditors' Report (*Continued*)

Torrent Pharmaceuticals Limited

Auditor's Responsibilities for the Audit of the Consolidated Annual Financial Results (*Continued*)

- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group to express an opinion on the consolidated annual financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated annual financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated annual financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular No CIR/CFD/CMD1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

- (a) The consolidated annual financial results include the audited financial results of 13 subsidiaries, whose financial statements reflect total assets (before consolidation adjustment) of Rs. 3,233.84 crores as at 31 March 2021, total revenue (before consolidation adjustment) of Rs. 2,226.02 crores and total net profit after tax (before consolidation adjustment) of Rs. 318.91 crores and net cash inflows of Rs 223.18 crores for the year ended on that date, as considered in the consolidated annual financial results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated annual financial results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Independent Auditors' Report (*Continued*)

Torrent Pharmaceuticals Limited

Other Matters (*Continued*)

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

- (b) The consolidated annual financial results include the results for the quarter ended 31 March 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

JAMIL
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Date: 2021.05.18
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Jamil Khatri

Partner

Place: Mumbai
Date: 18 May 2021

Membership Number: 102527
UDIN: 21102527AAAAAP8824



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 Consolidated Financial Results for the Quarter and Year ended 31-Mar-2021					
Particulars	Quarter ended			Year ended	
	31-Mar-2021 (Audited) (Refer Note 6)	31-Dec-2020 (Unaudited)	31-Mar-2020 (Audited) (Refer Note 6)	31-Mar-2021 (Audited)	31-Mar-2020 (Audited)
Revenue					
Net sales	1915	1972	1912	7886	7780
Other operating income	22	23	34	119	159
Revenue from operations (net)	1937	1995	1946	8005	7939
Other income	39	8	15	57	122
Total revenue	1976	2003	1961	8062	8061
Expenses					
Cost of materials consumed	347	365	331	1421	1377
Purchases of stock-in-trade	223	226	279	1005	923
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(74)	(29)	(82)	(279)	(133)
Employee benefits expense	341	363	336	1440	1429
Finance costs	73	91	102	358	451
Depreciation amortisation and impairment expense	165	167	168	658	654
Other expenses	518	463	534	1933	2173
Total expenses	1593	1646	1668	6536	6874
Profit before tax	383	357	293	1526	1187
Tax expense					
Current tax	105	75	47	334	260
Deferred tax	(39)	(15)	(17)	(53)	(59)
Short provision of earlier periods*	(7)	0	2	(7)	14
One time impact on current and deferred tax due to change in law (Refer note 7)	-	-	(53)	-	(53)
Total tax expense	59	60	(21)	274	162
Net profit for the period	324	297	314	1252	1025
Attributable to :					
- Owners of the company	324	297	314	1252	1025
- Non controlling Interest	-	-	-	-	-
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss	6	(1)	(6)	3	(20)
Income tax relating to items that will not be reclassified subsequently to profit or loss*	(4)	0	1	(3)	6
Items that will be reclassified subsequently to profit or loss	28	7	(133)	156	(234)
Income tax relating to items that will be reclassified subsequently to profit or loss	(7)	(6)	32	(56)	56
Total other comprehensive income*	23	0	(106)	100	(192)
Total comprehensive Income	347	297	208	1352	833
Attributable to :					
- Owners of the company	347	297	208	1352	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
Other equity excluding revaluation reserves				5753	4739
Earnings per share (of Rs. 5/- each) (not annualised for the quarter):					
Basic	19.16	17.52	18.56	73.98	60.55
Diluted	19.16	17.52	18.56	73.98	60.55

* 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 18-May-2021. 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 fifteen wholly owned subsidiaries, includes one subsidiary which was liquidated on 16-Mar-2021.
- 3 The Group operates in a single segment i.e Generic Formulation Business.

4 Consolidated Balance Sheet**(Rs. in crores)**

Particulars	Audited	
	As at 31-Mar-2021	As at 31-Mar-2020
ASSETS		
Non-current assets		
Property, plant and equipment	2758	2818
Capital work-in-progress	745	577
Right-of-use assets	126	135
Goodwill	341	342
Other intangible assets	3840	4238
Intangible assets under development	144	135
Financial assets		
Investments	42	2
Loans	2	2
Other financial assets	52	127
	96	131
Income tax assets (net)	56	189
Deferred tax assets (net)	421	433
Other non-current assets	24	31
Sub-total - Non-current assets	8551	9029
Current assets		
Inventories	2681	2148
Financial assets		
Investments*	139	0
Trade receivables	1523	1649
Cash and cash equivalents	573	662
Bank balances other than cash and cash equivalents	31	4
Loans	3	4
Other financial assets	121	82
	2390	2401
Other current assets	451	430
Sub-total - Current assets	5522	4979
Non-current assets held for sale	2	2
TOTAL - ASSETS	14075	14010

(Rs. in crores)		
Particulars	Audited	
	As at 31-Mar-2021	As at 31-Mar-2020
EQUITY AND LIABILITIES		
Equity		
Equity share capital	85	85
Other Equity	5753	4739
Sub-total - Equity	5838	4824
Non-current liabilities		
Financial liabilities		
Borrowings	2941	3275
Other financial liabilities	30	111
	2971	3386
Provisions	370	338
Other non-current liabilities	5	8
Sub-total - Non-current liabilities	3346	3732
Current liabilities		
Financial liabilities		
Borrowings	704	1091
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	20	13
Total outstanding dues of creditors other than micro enterprises and small enterprises	2047	2035
Other financial liabilities	1507	1754
	4278	4893
Provisions	431	419
Current tax liabilities (net)	54	35
Other current liabilities	128	107
Sub-total - Current liabilities	4891	5454
TOTAL - EQUITY AND LIABILITIES	14075	14010

* Less than Rs. 1 crore

5 **Consolidated Statement of Cash Flows**

(Rs. in crores)		
Particulars	Audited	
	Year ended 31-Mar-2021	Year ended 31-Mar-2020
CASH FLOWS FROM OPERATING ACTIVITIES		
PROFIT BEFORE TAX	1526	1187
Adjustments for :		
Depreciation, amortization and impairment expense	658	654
Allowance for credit loss (net)	14	2
Unrealised foreign exchange gain (net)	(12)	(220)
Loss on sale/discard/write-off of property, plant & equipments	1	26
Net gain on sale of current investments	(16)	(30)
Finance costs	358	451
Interest income	(5)	(8)
	2524	2062
Adjustments for changes in working capital :		
Trade receivables, loans and other assets	65	(178)
Inventories	(532)	(213)
Trade payables, liabilities and provisions	130	5
CASH GENERATED FROM OPERATIONS	2187	1676
Direct taxes paid (net of refund)	(176)	(284)
NET CASH FROM OPERATING ACTIVITIES	2011	1392

(Rs. in crores)

Particulars	Audited	
	Year ended 31-Mar-2021	Year ended 31-Mar-2020
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipments and intangible assets (including capital work-in-progress and capital advances paid)	(335)	(407)
Proceeds from sale of property, plant & equipments and intangible assets	1	4
Payment to acquire other non-current investments (Investments in) / proceeds from redemption of mutual funds (net)	(40) (123)	- 381
Fixed deposits matured (net)	43	204
Interest received	5	17
NET CASH (USED IN) / FROM INVESTING ACTIVITIES	(449)	199
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term borrowings	895	750
Repayment of long-term borrowings	(1438)	(1201)
Proceeds from /(repayment of) short term borrowings (net)	(379)	138
Repayment of lease obligations	(35)	(32)
Dividend paid (including tax on dividend for the year ended 31-Mar-2020)	(338)	(719)
Finance costs paid	(361)	(485)
NET CASH USED IN FINANCING ACTIVITIES	(1656)	(1549)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(94)	42
Effect of exchange rate changes on foreign currency cash and cash equivalents	5	31
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR	662	589
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	573	662

The Group considers investing in liquid mutual fund as an important part of its cash management activities. In accordance with Ind AS 7, the same is presented as cash flows from investing activities. As at 31-Mar-2021, investment amount is Rs. 139 crores.

- 6 The figures for the quarter ended 31-Mar-2021 and 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 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.
- 8 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.
- 9 The Board of Directors in their meeting held on 18-May-2021, recommended a final equity dividend of Rs. 15/- per equity share.
- 10 On 25-Mar-2021, the Company made investment of Rs. 40.00 crores in ABCD Technologies LLP (to be renamed as IndoHealth Services LLP).
- 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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Date: 2021.05.18
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Place : Ahmedabad, Gujarat
Date : 18-May-2021

SAMIR MEHTA
Executive Chairman

Torrent Pharma announces Q4 FY21 results

Operating EBITDA grows by 6%; India Business Recovery Momentum Continues

The Board has recommended final dividend of Rs. 15/- (300%) per share.

Revenues & profitability:

- Revenues were stable at Rs. 1,937 crores
- Gross margins were at 74% and Operating EBITDA margins were at 30%
- Operating EBITDA at Rs. 582 crores was up 6%
- Net profits grew by 3%; adjusted for a one-time tax benefit, net profit grew by 24%.
- There was a one time tax benefit of Rs. 53 crores under the CARES Act enacted by US Government in March 2020 in response to Covid -19 Pandemic

Performance summary:

Results	Q4 FY21		Q4 FY20		YoY%	FY21		FY20		YoY%
	Rs cr	%	Rs cr	%		Rs cr	%	Rs cr	%	
Revenues	1,937		1,946		0%	8,005		7,939		1%
Gross profit	1,441	74%	1,418	73%	2%	5,858	73%	5,772	73%	1%
Op. EBITDA	582	30%	548	28%	6%	2,485	31%	2,170	27%	15%
PAT	324	17%	314	16%	3%	1,252	16%	1,025	13%	22%
R&D spend	148	8%	118	6%	25%	487	6%	494	6%	-1%

India:

- India revenues at Rs 922 crores grew by 10%
- As per AIOCD data, Torrent's Q4 FY21 growth was 6% versus IPM growth of 5%
- Growth was driven by continued recovery in chronic, sub-chronic and acute therapies, and aided by market share gains in high potential new launches
- PCPM for the quarter was Rs 8.5 lakhs with an MR strength of 3,600
- For FY21, revenues were Rs 3,739 crores, up by 6%.

United States:

- US revenues at Rs 269 crores were down by 30%.
- Constant currency sales were \$37 million.
- Sales was impacted by price erosion on base business & base impact of Sartan portfolio discontinuation.
- As on March 31, 2021, 54 ANDAs were pending approval and 6 tentative approvals were received. 8 ANDA was filed during the quarter.

- For FY21, revenues were Rs 1,261 crores, down by 17% (Constant currency sales: \$166 million).

Brazil:

- Brazil revenues at Rs 189 crores, were down by 3%
- Constant currency sales at R\$ 141 million, was up by 19%.
- As per IMS data, Branded Generic market grew by 5% in Q4 FY21.
- For FY21, revenues were Rs 630 crores, down by 12% (Constant currency sales: R\$ 454 million, up by 11%).

Germany:

- Germany revenues at Rs 267 crores were up by 23%
- Constant currency sales were Euro 30 million up by 14%
- Market performance was affected due to extension of lockdown
- For FY21, revenues were Rs 1,038 crores, up by 10% (Constant currency sales: flat at Euro 119 million).

About Torrent Pharmaceuticals Ltd:

Torrent Pharma, with annual revenues of more than Rs 8,000 crores, is the flagship Company of the Torrent Group, with group revenues of Rs 21,500 crores. It is ranked 8th in the Indian Pharmaceuticals Market and is amongst the Top 5 in the therapeutics segments of Cardiovascular (CV), Central Nervous System (CNS), and Vitamins Minerals Nutritional (VMN).

It is a specialty-focused company with 76% of its revenue in India from chronic & sub-chronic therapies. It has presence in 40 countries and is ranked No. 1 amongst the Indian pharma Companies in Brazil, Germany and Philippines. Torrent has 8 manufacturing facilities (7 in India & 1 in US), of which 5 are USFDA approved. With R&D as the backbone for its growth in domestic & overseas market, it has invested significantly in R&D capabilities with state-of-the-art R&D infrastructure employing around 700+ scientists.