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Torrent Pharma reports 12% fall in its revenue for FY 2016-17 at Rs. 5,857 crores

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Torrent Pharma, with annual revenues of more than Rs. 5800 crores, the flagship Company of the Rs. 18,300 crore Torrent Group, reported a 12% fall in its revenue for FY 2016-17 at Rs. 5,857 crores from Rs. 6,687 crores during FY 2015-16.

The company on May 26 said that its Profit After Tax (PAT) for FY 2016-17 was at Rs. 934 crores down by 46% from Rs. 1,733 crores during FY 2015-16. Similarly EBIDTA for FY 2016-17 was down by 46% at Rs. 1,596 crores from Rs. 2,953 crores during 2015-16.

The company said that the previous period include exceptional revenues and profits which was primarily on account of the launch of a new product in US market, which had limited competition. The company has increased its research and development spend during FY 2016-17 at Rs 432 crores as against Rs 245 crores during 2015-16.

The Company has distributed an interim dividend of Rs. 10/- per equity share of face value of Rs. 5/- during the year. The Management and Board (subject to shareholders approval) have recommended dividend of Rs. 4 per share. This is as per Company's dividend distribution policy of distributing dividend around 30% of annual consolidated Net Profit after tax.

The formulation business in India recorded revenues of Rs. 1,976 crores for FY 2016-17 as against Rs. 1,834 crores for the same period last year, showing 8% growth. Discontinuance of certain promotional schemes and hygiene initiatives has impacted the business in short term however it will have positive impact in long term.

US business recorded revenues of Rs. 1,346 crores for FY 2016-17 as against Rs. 2,671 crores for the same period last year. The company noted that 16 ANDAs were filed during FY 2016-17.

Brazilian business recorded revenues of Rs. 700 crores for FY 2016-17 as against Rs. 506 crores for the same period last year, showing 38% growth. German business recorded revenues of Rs. 811 crores for FY 2016-17 as against Rs. 649 crores for the same period last year, showing 25% growth.

Exceptional Items during FY 15-16 represents write off of goodwill of Rs. 194 crores arising on account of amalgamation of Zyg Pharma Private Ltd. with the Company.