

**(Under Corporate Insolvency Resolution Process)**

November 14, 2019

**National Stock Exchange of India Ltd**  
**Listing Department**  
**Exchange Plaza, 5th Floor, Plot No:**  
**C/1, G - Block, Bandra - Kurla**  
**Complex, Bandra (East),**  
**Mumbai - 400 051**  
**NSE Symbol: ORCHIDPHAR**

**BSE Limited**  
**Corporate Relationship Department**  
**1st floor, New Trading Ring**  
**Rotunda Building, P J Towers**  
**Dalal Street, Fort**  
**Mumbai - 400 001**  
**BSE Code: 524372**

**Sub: Outcome of Meeting - Approval of Unaudited Financial Results for the Quarter**  
**ended September 30, 2019**

Dear Sir/Madam

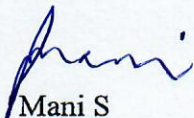
In accordance with Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we would like to inform that the Resolution Professional at a meeting held on November 14, 2019 has considered and approved the Unaudited Financial Results (both Standalone and Consolidated) of the Company for the Quarter (Q2 of FY 2019-20) ended September 30, 2019.

A copy of the Unaudited Financial Results along with the Limited Review Report issued by the Statutory Auditors is enclosed.

Kindly take the above information on your records.

Thanking you,

Yours faithfully,



Mani S  
President -API, CSR&SH&E

Encl.: a/a

Statement of Unaudited Consolidated and Standalone Financial Results for the quarter and six months ended September 30, 2019 under Ind AS

Symbol Particulars	For the quarter ended						For the six months ended			For the year ended		For the year ended March 31, 2019 (Audited)
	For the quarter ended		For the six months ended		For the six months ended		For the year ended		For the six months ended			
	Sept 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	Sept 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	Sept 30, 2019 (Unaudited)	June 30, 2019 (Unaudited)	March 31, 2019 (Audited)	Sept 30, 2018 (Unaudited)	March 31, 2018 (Unaudited)	Sept 30, 2018 (Unaudited)		
Income from Operations												
1 Net Sales / Income from operations	13,099.01	13,577.15	14,247.96	14,078.03	27,653.64	28,187.49	56,364.62	27,312.66	25,705.45	59,798.15	27,443.83	59,798.15
2 Other Income (Net)	662.27	515.21	628.04		1,177.49		1,692.84	1,054.83	1,177.49	1,997.34		1,997.34
3 Total Income (1+2)	13,761.28	14,092.36	14,876.00	14,078.03	28,831.13	28,187.49	58,057.46	28,367.49	28,882.94	61,795.49	28,621.82	61,795.49
4 Expenses												
Cost of materials consumed	6,089.37	6,205.39	7,045.09	7,045.09	12,275.78	11,683.11	25,743.48	11,683.11	12,403.98	28,297.32	12,403.98	28,297.32
Purchase of stock-in-trade - Traded goods	6.02		9.54		6.02		29.84	21.90	6.02	29.34	6.02	29.34
Changes in inventories of raw materials, work-in-progress, stock-in-trade and finished goods	(500.17)	430.45	(1,065.86)	(1,065.86)	(95.72)	1,024.25	2,043.71	1,024.25	(259.81)	1,958.07	(259.81)	1,958.07
Employee benefit expenses	2,032.46	2,081.88	1,845.95	1,845.95	4,114.34	3,890.28	7,514.45	3,890.28	4,273.30	9,227.83	4,273.30	9,227.83
Finance costs	9.13				9.13		29.96	1,354.89	9.13	29.96	9.13	29.96
Depreciation and amortization expense	3,189.86	3,136.52	3,295.68	3,295.68	6,306.38	6,574.59	12,952.48	6,574.59	5,307.35	12,794.24	5,307.35	12,794.24
Other expenses (note 2)	5,522.98	5,797.00	6,653.85	6,653.85	11,319.98	12,442.11	23,903.22	12,442.11	11,574.87	24,320.94	11,574.87	24,320.94
Total Expenses	14,279.85	17,652.24	17,867.23	17,867.23	33,931.88	36,991.11	72,458.14	36,991.11	34,334.74	74,842.34	34,334.74	74,842.34
5 Profit (Loss) before exceptional items and tax (3-4)	(2,518.37)	(3,559.88)	(2,991.23)	(2,991.23)	(6,078.25)	(8,803.62)	(12,398.68)	(8,623.62)	(8,451.81)	(13,192.02)	(8,451.81)	(13,192.02)
6 Exceptional items (note 4)			677.87				2,493.55	1,710.33		20,492.21		20,492.21
7 Profit (Loss) before tax (5+6)	(2,518.37)	(3,559.88)	(2,313.36)	(2,313.36)	(6,078.25)	(8,093.29)	(9,905.13)	(6,913.29)	(8,451.81)	(10,699.81)	(8,451.81)	(10,699.81)
8 Tax expense												
Current tax												
Deferred tax												
Total Tax Expenses												
9 Profit (Loss) for the period from continuing operations (7-8)	(2,518.37)	(3,559.88)	(2,313.36)	(2,313.36)	(6,078.25)	(8,093.29)	(9,905.13)	(6,913.29)	(8,451.81)	(10,699.81)	(8,451.81)	(10,699.81)



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These unaudited financial results for the quarter and six months ended September 30, 2019 have been prepared by the management of the Company and certified by Mr. K Raghavendra Rao, MD in accordance with Regulation 33(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, confirming that the financial statements do not contain any misleading or false statements. The unaudited financial results were placed before the RP, the MD on November 14, 2019 for their consideration. Accordingly, the unaudited financial results were considered and recommended in the meeting. In view thereof, the RP, in reliance of such examination by and the representations, clarifications and explanations provided by MD in relation to these unaudited financial results, has approved the same. The RP has approved these unaudited financial results only to the limited extent of discharging the powers of the Board of Directors of the company which has been conferred upon him in terms of provisions of Section 17 of the Code. It is clarified, however, that the RP has not conducted an independent verification of these unaudited financial results and has not certified on the truthfulness, fairness, accuracy or completeness of these results, in so far as it pertains to the period prior to commencement of the CIRP i.e. August 17, 2017) and his appointment.

In view of pendency of the CIRP, the further developments stated above and in view of suspension of the powers of board of directors, the powers of adoption of the unaudited financial results for the quarter and six months ended September 30, 2019 vest with the RP under the Insolvency & Bankruptcy Code, 2016 (IBC).

- Further to the aforesaid CIRP (more fully described in note 1 above), the Company is in the process of obtaining confirmation for receivables, loans and advances given, payables, employee claims and bank loans as at September 30, 2019. The Company's ability to meet the financial/contractual obligations including repayment of various loans, unpaid interest and ability to fund various obligations pertaining to operations for ensuring/commencing normal operations and further investments required towards ongoing research and development projects under progress is dependent on the resolution of the aforesaid matters as part of the CIRP.

As aforesaid, the Hon'ble NCLAT has set aside the NCLT order for approval of resolution plan on November 13, 2019 and remitted the case to Hon'ble NCLT for decision in accordance with law.

Pending this and measures to be adopted as part of the resolution process, the above financial results have been continued to be prepared on a going concern basis.

This is a matter of qualification by the auditors.

- The Company Official attended a personal hearing with Enforcement Directorate (Notice No.T-405/CEZORSR/2017 dated 25th March 2017, a pre-CIRP Notice) on 25th September 2019. The enquiry was with reference to the export restrictions pertaining to the period October 2006 to March 2015 & for submission of materials on records with reference to:

The export proceeds that are yet to be realised amounting to INR 4267.58 Lakhs (Out of this, an amount of \$ 903,502 has already been written off and application is pending with AD banker for an amount \$ 1,40,739 for write off). The write-off was done with required approvals from the Authorised Dealer for which necessary documents were submitted.

Also, an amount of INR 20,321 Lakhs were realised fully albeit with significant delays for which the Company has submitted the required documents during the said hearing and for an advance of INR 27 Lakhs against which supplies were not yet effected.

Since no show cause or demand notice is outstanding on the reporting date, no adjustment has been considered in the financials for the quarter half year ended September 30, 2019.

- The RP has received the claims from the creditors of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (as amended). The status of these claims may be found at the following link: <http://www.orcidpharma.com/downloads/cirp.aspx>

- Exceptional items presented in the above Statement of Consolidated and Standalone unaudited financial results for the quarter ended Sep 30, 2016, six months ended Sep 30, 2016 and for the year ended March 31, 2019 represents net of reversal of interest accrued and provided for the financial creditors post commencement of the Corporate Insolvency Process date, reversal of exchange rate fluctuation on capital advances and advances to suppliers and cash credit interest included in Outstanding liabilities, reduction in foreign currency loan liability on conversion to rupee loan by the banks.

- The Other expenses includes loss of INR 975.29 Lakhs on account of forex loss for six months ended September 30, 2019 (H1 FY 2018-19 - INR 4,125.97 Lakhs). This includes loss of INR 1706.35 Lakhs (H1 FY 2018-19 - INR 4,844.62 Lakhs) on account of ECB loan and Gain of INR 727.10 Lakhs (H1 FY 2018-19 - Gain of INR 718.85 Lakhs) on account of operations.

Based on the limited information provided by the company and subsidiaries to the RP, the Subsidiaries are loss making and does not generate sufficient cash flows to meet the liabilities owed by them. The Company has a debtor balance of INR 5,229.36 Lakhs in the standalone financial statements owed by the subsidiaries out of which provision is made for an amount of INR 5,229.36 Lakhs as doubtful debtors.





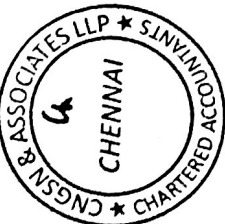
**Orchid Pharma Limited**  
**Statement of Unaudited Consolidated and Standalone Financial Results for the quarter and six months ended September 30, 2019 under Ind AS (Contd....)**

Sundry Particulars	Stand alone Financial results for the				Consolidated financial results for the			
	Quarter ended				Year ended			
	For the six months ended	For the six months ended	For the six months ended	For the six months ended	Year ended	Year ended	Year ended	Year ended
	June 30, 2019 (Unaudited)	Sept 30, 2019 (Unaudited)	Sept 30, 2019 (Unaudited)	Sept 30, 2019 (Unaudited)	March 31, 2019 (Audited)	Sept 30, 2019 (Unaudited)	March 31, 2019 (Audited)	Sept 30, 2019 (Unaudited)
9 Profit/(Loss) for the period from continuing operations (7-4)	(2,518.37)	(2,312.51)	(2,312.51)	(8,913.29)	(10,105.13)	(8,451.81)	(8,451.81)	6,840.79
10 Profit/(Loss) from discontinued operations	-	-	-	-	-	-	-	-
11 Tax expense of discontinued operations	-	-	-	-	-	-	-	-
12 Profit/(Loss) from discontinued operations (after tax) (10-11)	-	-	-	-	-	-	-	-
13 Profit/(Loss) for the period (9+12)	(2,518.37)	(2,312.51)	(2,312.51)	(8,913.29)	(10,105.13)	(8,451.81)	(8,451.81)	6,840.79
14 Other comprehensive income, net of income tax	17.55	19.98	23.21	40.44	90.39	37.53	37.53	90.39
a) (1) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
(2) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	-
b) (1) Items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
(2) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	-
Total other comprehensive income, net of income tax	17.55	19.98	23.21	40.44	90.39	37.53	37.53	90.39
15 Total comprehensive income/(loss) for the period (13+14)	(2,500.82)	(2,292.53)	(2,289.30)	(8,872.85)	(10,014.74)	(8,414.28)	(8,414.28)	7,031.18
16 Paid-up equity share capital	8,896.43	8,896.43	8,896.43	8,896.43	8,896.43	8,896.43	8,896.43	8,896.43
Face value per share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
17 Earning per share (Rs) (not annualised)	(2.83)	(4.00)	(2.80)	(7.77)	(11.36)	(7.25)	(7.25)	7.90
- Basic	(2.83)	(4.00)	(2.80)	(7.77)	(11.36)	(7.25)	(7.25)	7.90
- Diluted	-	-	-	-	-	-	-	-

Notes:

1 The Hon'ble National Company Law Tribunal ("NCLT"), Chennai Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by an operational creditor of Orchid Pharma Limited ("the Company") and appointed an Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Company vide Para C/P/543/18/J CB/2017 dated August 17, 2017. Subsequently, M. Ramaswami Sathya Venkatesh Subramanian (P Registration no. 18892PA-001IP-P000152016-17/10039) has been appointed as the Resolution Professional ("RP") of the Company, by an order of NCLT with effect from October 27, 2017.

The Resolution Plan of Orchid Pharma Limited has been approved by the Hon'ble NCLT vide its order dated 27th June 2019. However, on an appeal filed by one of the unsuccessful resolution applicants, the Hon'ble National Company Law Appellate Tribunal ("NCLAT") has stayed the implementation of the resolution plan until further orders on 28th July 2019 and has directed the Interim Resolution Professional ("IRP") to ensure that the Corporate Director remains as a going concern. Further, the Hon'ble NCLAT on November 13, 2019, had set aside the approved resolution plan of Orchid Pharma Limited. The matter stands remitted to the Adjudicating Authority, Hon'ble NCLT for decision in accordance with law.

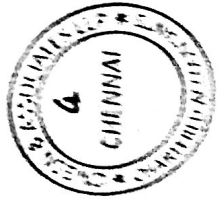


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**Ochilid Pharma Limited**  
**Statement of Financial Position and Statement of Financial Results for the quarter and six months ended September 30, 2018 under IAS (modified)**

The statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards (IAS) in the respective Act, 2013 and other recognized accounting practices and policies given effect, except in India, in the notes thereto.

Particulars	As at		As at		As at		As at	
	30th Sep 2018 (Unaudited)	31st Mar 2018 (Audited)	30th Sep 2018 (Unaudited)	31st Mar 2018 (Audited)	30th Sep 2018 (Unaudited)	31st Mar 2018 (Audited)	30th Sep 2018 (Unaudited)	31st Mar 2018 (Audited)
<b>Assets</b>								
Non-current assets								
Property, plant and equipment	1,07,000.00	1,15,000.00	1,07,000.00	1,15,000.00	1,07,000.00	1,15,000.00	1,07,000.00	1,15,000.00
Intangible assets	1,017.30	1,000.00	1,017.30	1,000.00	1,017.30	1,000.00	1,017.30	1,000.00
Capital work in progress	28,000.00	28,000.00	28,000.00	28,000.00	28,000.00	28,000.00	28,000.00	28,000.00
Intangible assets under development	1,411.00	1,411.00	1,411.00	1,411.00	1,411.00	1,411.00	1,411.00	1,411.00
Prepaid assets								
Investments	38.84	47.81	38.84	47.81	38.84	47.81	38.84	47.81
Other financial assets	1,361.21	1,361.21	1,361.21	1,361.21	1,361.21	1,361.21	1,361.21	1,361.21
Other non-current assets	80,707.78	80,707.78	80,707.78	80,707.78	80,707.78	80,707.78	80,707.78	80,707.78
<b>Total Non-current assets</b>	<b>1,35,525.13</b>	<b>1,46,527.00</b>	<b>1,35,525.13</b>	<b>1,46,527.00</b>	<b>1,35,525.13</b>	<b>1,46,527.00</b>	<b>1,35,525.13</b>	<b>1,46,527.00</b>
Current assets								
Prepaid assets	18,818.81	18,711.14	18,818.81	18,711.14	18,818.81	18,711.14	18,818.81	18,711.14
Trade receivables	19,800.18	14,072.78	19,800.18	14,072.78	19,800.18	14,072.78	19,800.18	14,072.78
Right and cash equivalents	14,500.00	9,900.00	14,500.00	9,900.00	14,500.00	9,900.00	14,500.00	9,900.00
Bank balances and cash	47,247.03	43,101.72	47,247.03	43,101.72	47,247.03	43,101.72	47,247.03	43,101.72
Loans	481.49	311.18	481.49	311.18	481.49	311.18	481.49	311.18
Other financial assets	8,108.48	7,863.64	8,108.48	7,863.64	8,108.48	7,863.64	8,108.48	7,863.64
Other current assets	88,019.07	71,008.84	88,019.07	71,008.84	88,019.07	71,008.84	88,019.07	71,008.84
<b>Total Current assets</b>	<b>1,55,014.11</b>	<b>1,45,168.31</b>	<b>1,55,014.11</b>	<b>1,45,168.31</b>	<b>1,55,014.11</b>	<b>1,45,168.31</b>	<b>1,55,014.11</b>	<b>1,45,168.31</b>
<b>Total Assets</b>	<b>2,90,539.24</b>	<b>2,91,695.31</b>	<b>2,90,539.24</b>	<b>2,91,695.31</b>	<b>2,90,539.24</b>	<b>2,91,695.31</b>	<b>2,90,539.24</b>	<b>2,91,695.31</b>
<b>Equity AND (LIABILITIES)</b>								
Equity								
Equity share capital	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00
Other equity	(81,216.13)	(81,100.00)	(81,216.13)	(81,100.00)	(81,216.13)	(81,100.00)	(81,216.13)	(81,100.00)
<b>Total equity</b>	<b>(73,216.13)</b>	<b>(73,100.00)</b>	<b>(73,216.13)</b>	<b>(73,100.00)</b>	<b>(73,216.13)</b>	<b>(73,100.00)</b>	<b>(73,216.13)</b>	<b>(73,100.00)</b>
Liabilities								
Non-Current Liabilities								
Provisional liabilities								
Borrowings (trade notes)	1,18,742.31	1,47,000.00	1,18,742.31	1,47,000.00	1,18,742.31	1,47,000.00	1,18,742.31	1,47,000.00
Provision	888.09	700.00	888.09	700.00	888.09	700.00	888.09	700.00
Other non-current liabilities	122.02	122.02	122.02	122.02	122.02	122.02	122.02	122.02
<b>Total Non-Current Liabilities</b>	<b>1,19,752.42</b>	<b>1,47,822.02</b>	<b>1,19,752.42</b>	<b>1,47,822.02</b>	<b>1,19,752.42</b>	<b>1,47,822.02</b>	<b>1,19,752.42</b>	<b>1,47,822.02</b>
Current Liabilities								
Provision	87,000.00	80,000.00	87,000.00	80,000.00	87,000.00	80,000.00	87,000.00	80,000.00
Borrowings (trade notes)	28,103.31	28,103.31	28,103.31	28,103.31	28,103.31	28,103.31	28,103.31	28,103.31
Trade payables	408.87	408.87	408.87	408.87	408.87	408.87	408.87	408.87
Other financial liabilities	1,50,100.00	1,51,100.00	1,50,100.00	1,51,100.00	1,50,100.00	1,51,100.00	1,50,100.00	1,51,100.00
Other non-current liabilities	2,70,000.00	2,71,000.00	2,70,000.00	2,71,000.00	2,70,000.00	2,71,000.00	2,70,000.00	2,71,000.00
<b>Total Current Liabilities</b>	<b>4,56,510.60</b>	<b>4,57,614.18</b>	<b>4,56,510.60</b>	<b>4,57,614.18</b>	<b>4,56,510.60</b>	<b>4,57,614.18</b>	<b>4,56,510.60</b>	<b>4,57,614.18</b>
<b>Total Equity and Liabilities</b>	<b>2,90,539.24</b>	<b>2,91,695.31</b>	<b>2,90,539.24</b>	<b>2,91,695.31</b>	<b>2,90,539.24</b>	<b>2,91,695.31</b>	<b>2,90,539.24</b>	<b>2,91,695.31</b>



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**Orchid Pharma Limited**

Statement of Unaudited Consolidated and Standalone Financial Results for the quarter and six months ended September 30, 2019 under Ind AS (Contd...)

Statement of cash flows for the six months ended September 30, 2019

Particulars	Standalone		Consolidated	
	Six months ended Sep 30, 2019 (Unaudited)	Year ended March 31, 2019 (Audited)	Six months ended Sep 30, 2019 (Unaudited)	Year ended March 31, 2019 (Audited)
<b>Cash Flow From Operating Activities</b>				
Profit/loss before income tax	(6,018.25)	(10,105.13)	(6,451.61)	6,940.79
Adjustments for:				
Depreciation and amortisation expense	6,308.38	12,992.48	6,307.25	12,994.34
(Profit)/loss on sale of fixed assets	-	(0.34)	-	(0.34)
Interest income	(1,158.39)	(1,508.54)	(1,158.39)	(1,508.54)
Fees (Gain)/Loss Unrealised	1,946.52	9,161.98	1,820.56	8,973.90
Reversal of finance cost provision post CRIP period	-	(15,895.67)	-	(15,865.47)
Provision for diminution in value of investments	-	12,429.90	-	90.00
Provision for Advances to Subsidiaries	-	5,229.36	-	-
Allowance for expected credit loss	1,096.57	900.17	1,099.57	930.17
Finance costs (grouped under exceptional)	-	119.32	-	149.48
Finance costs	9.13	29.96	9.13	-
<b>Change in operating assets and liabilities</b>				
(Increase)/decrease in Other financial assets	2,127.94	13,413.89	1,626.41	12,874.33
(Increase)/decrease in inventories	359.39	195.66	369.39	229.65
(Increase)/decrease in trade receivables	195.84	1,783.25	55.54	2,396.61
(Increase)/decrease in Other assets	146.86	(443.46)	451.65	(914.98)
Increase/(decrease) in provisions and other liabilities	1,261.03	(7,898.31)	1,236.57	(7,693.43)
Increase/(decrease) in trade payables	411.44	710.82	394.44	712.51
1,006.68	(5,825.62)	1,275.50	(5,767.65)	
<b>Cash generated from operations</b>	5,545.00	1,546.03	5,442.61	1,536.04
Less: income taxes paid (net of refunds)	(65.96)	(427.60)	(65.96)	(427.50)
<b>Net cash from operating activities (A)</b>	5,479.04	1,118.43	5,376.65	1,108.54
<b>Cash Flows From Investing Activities</b>				
Purchase of PPE (including changes in CWIP)	(227.76)	(662.10)	(228.02)	(662.96)
(Purchase)/disposal proceeds of investments	-	(0.17)	-	(0.17)
(Investments in)/Maturity of fixed deposits with banks	(19,226.24)	3,723.16	(19,226.24)	3,723.16
Interest received	962.82	1,466.98	962.82	1,466.98
<b>Net cash used in investing activities (B)</b>	(18,491.20)	4,547.87	(18,491.45)	4,547.31
<b>Cash Flows From Financing Activities</b>				
Proceeds from repayment of short term borrowings (Net)	19,406.27	-	19,426.27	-
Finance costs	(9.13)	(29.96)	(9.13)	(29.96)
<b>Net cash from/used in financing activities (C)</b>	19,397.14	(29.96)	19,397.14	(29.96)
<b>Net increase/decrease in cash and cash equivalents (A+B+C)</b>	5,384.94	8,084.34	5,282.32	5,719.79
Cash and cash equivalents at the beginning of the financial year	9,079.54	3,690.20	9,231.99	3,511.30
Cash and cash equivalents at end of the year	14,464.48	8,094.54	14,493.41	8,231.09





**Orchid Pharma Limited**

**Statement of Unaudited Consolidated and Standalone Financial Results for the quarter and six months ended September 30, 2019 under Ind AS (Contd...)**

- 9 The value of claims lodged by the Financial Creditors includes Foreign Currency Term Loan availed by the Company from consortium of Banks led by Axis Bank, admitted under CRIP commencement date amounting to INR is Rs. 51,67,27 Lakhs and the same is carried in the Balance sheet at a value of Rs. 57,929.76 Lakhs, arrived at by restating the Foreign currency value of the loan to the extent admitted with the closing exchange rate as on September 30, 2019. If this loan is stated at the INR value as admitted under CRIP there will be a net gain of Rs. 4,541.23 Lakhs after setting off the Foreign Currency Monetary Item Translation Difference carried under 'other equity' in respect of this loan.
- 10 The format for audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 5 2016, Ind AS and Schedule III (Part II) to the Companies Act, 2013, which are applicable to companies that are required to comply with Ind AS.
- 11 In terms of the Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015, as amended, the Company has disclosed Consolidated quarterly results from the current quarter and six months ended September 30, 2019 and accordingly, no comparative figures have been provided for the other interim period.
- 12 The operations of the Company fall under a single primary segment i.e., 'Pharmaceuticals' in accordance with Ind AS 108 'Operating Segments' and hence no segment reporting is applicable.

K. Rajagendra Rao  
Managing Director  
DIN: 00010098

Taken on record  
Ramkumar Sripathi Venkata Subramanian  
Resolutions Professional  
IP Registration no. (IBB)/IPA-001/IP-P000192016-17/10039

Place: Chennai

Date: November 14, 2019

Initialed for identification purposes





# CNGSN & ASSOCIATES LLP

## CHARTERED ACCOUNTANTS

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Sri Nagar Colony, Little Mount, Chennai - 600 015.  
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M.Com., FCA, PGDFM

**E.K. SRIVATSAN**  
B.Com., FCA

### Limited Review Report on the Standalone Unaudited Financial Results for the Quarter and six months ended September 30, 2019 of M/s Orchid Pharma Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

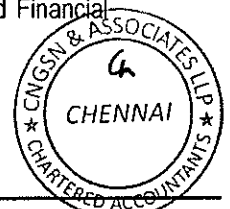
The Interim Resolution Professional  
Orchid Pharma Limited  
"Orchid Towers"  
313 Valluvar Kottam High Road  
Nungambakkam, Chennai 600 034

1. The Hon'ble National Company Law Tribunal ("NCLT"), Chennai Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by an operational creditor of Orchid Pharma Limited ("the Company") and appointed an Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Company vide CP.No. CP/ 540/ (IB)/ CB/ 2017, dated August 17, 2017. Subsequently, Mr. Ramkumar Sripatham Venkatasubramanian (IP Registration No. IBBI/ IPA-001/ IP-P00015/ 2016-17/ 10039) has been appointed as the Resolution Professional ("RP") of the Company, by an order of Hon'ble NCLT with effect from October 27, 2017.

The Resolution Plan filed by the RP has been approved by the Hon'ble NCLT vide its order dated 25<sup>th</sup>/ 27<sup>th</sup> of June 2019. However, on a partition filed by one of the resolution applicants, the Hon'ble National Company Law Appellate Tribunal ("NCLAT") had set aside the order of the Hon'ble NCLT approving the aforesaid resolution plan, observing that it is against the object of Insolvency and Bankruptcy Code and section 30 (2) of the said code. The Hon'ble NCLAT observed that admittedly, the amount offered in favour of stakeholders including the financial creditors and operational creditors is being much less than the liquidation value, such plan cannot be accepted. The Hon'ble NCLAT also stated that it had not interfered with the impugned order dated 25<sup>th</sup>/ 27<sup>th</sup> of June 2019 by which the application filed by a resolution applicant was rejected. The Hon'ble NCLAT had remitted back the matter to the Adjudicating Authority for decision in accordance with law.

In view of pendency of the CIRP, the further developments stated above and in view of suspension of the powers of board of directors, it was explained to us that the powers of adoption of the unaudited financial results for the quarter and six months ended September 30, 2019 vest with the RP.

2. We have reviewed the unaudited standalone financial results of M/s Orchid Pharma Limited ("the Company") for the quarter and six months ended September 30, 2019 together with the notes thereon, which are included in the accompanying 'Statement of Unaudited Standalone and Consolidated Financial Results for the quarter and six months ended September 30, 2019 ("the Statement").





3. The aforesaid Statement is being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular No.CIR/ CFD/ CMD1/ 80/ 2019 dated July 19, 2019 which has been initialled by us for identification purposes.

The Statement which is the responsibility of the Company's management and approved by the RP based on representations, clarifications and explanations provided by the Managing Director, Chief Financial Officer and Key Management Personnel of the Company (Refer Note 1 and 2 to the statement) has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.

Our responsibility is to issue a report on the Statement based on our review.

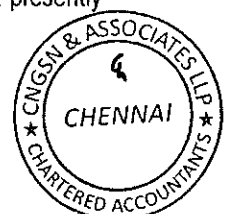
4. We conducted our review in accordance with the Standards on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
5. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

6. We draw attention to the following matters:

- (a) Note 1 and 2 to the unaudited standalone and consolidated financial results, regarding application by an operational creditor under the provisions of the Insolvency and Bankruptcy Code, 2016 ('the Code') and the consequential appointment of the RP under the Code, and adequacy of disclosures concerning the Company's ability to meet its financial and contractual obligations including management's technical estimates in regard to realisation of value of inventories, overdue receivables (net of provisions) amounting to Rs. 2,445.72 Lakhs, loans and advances given to various parties (net of provisions) amounting to Rs.73,626.51 Lakhs (which includes capital advances of Rs.52,241.71 and other advances of Rs.21,384.80 Lakhs), provision for impairment, if any, required for property, plant and equipment (PPE), PPE under development, internally generated intangible assets comprising of DBF/ ANDA, other non-monetary assets, investments, unamortised finance charges, claims made by/ advances given to employees, financial obligations including repayment of various loans, unpaid interest and the ability to fund various obligations pertaining to operations including unpaid/ overdue creditors together with the balances lying in the accumulated ERF, for ensuring/ commencing normal operations and further investments required towards ongoing research and development projects under progress (carrying amount of Rs.1,431 Lakhs).

The possible impact, if any, arising out of the above matters is not presently ascertainable.

- (b) Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at September 30, 2019. Pursuant to the CIRP, the Company stopped providing interest on bank borrowings for the current year, after the CIRP commencement date and reversed the interest already accounted in the earlier years over and above the amount approved by the RP. In the absence of the confirmation of balances, the possible adjustments, if any, required in the Statement are not presently determinable.



- (c) We have not been provided with sufficient, appropriate audit evidence relating to physical verification of fixed assets/ related reconciliation with the books of account. Accordingly, we are unable to comment on the possible impact, if any, arising out of the above matters.
- (d) The value of claims lodged by the Financial Creditors includes Foreign Currency Term Loan availed by the Company from consortium of Banks led by Axis Bank, admitted under CIRP commencement date amounting to INR is Rs.51,672.27 Lakhs and the same is carried in the Balance sheet at a value of Rs.57,629.76 Lakhs, arrived at by restating the foreign currency value of the loan to the extent admitted with the closing exchange rate as on September 30, 2019. If this loan is stated at the INR value as admitted under CIRP, there will be a net gain of Rs.4,941.23 Lakhs after setting off the Foreign Currency Monetary Item Translation Difference account carried under "other equity" in respect of this loan.

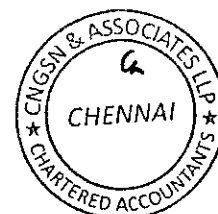
Pending completion of the CIRP process and related confirmation by Axis Bank, no adjustment is made in the financial statements in respect of the above.

- (e) The Company's net worth as on the reporting date is negative. The Hon'ble NCLAT had set aside the order of the Hon'ble NCLT approving the resolution plan and remitted back the matter to the Adjudicating Authority for decision in accordance with law, as more fully explained in Para 1 above, material uncertainties exist that may cause significant doubt on the Company's ability to continue as a going concern. However, the appropriateness of preparation of financial results on a going concern basis is subject to the outcome of the final NCLT order and the successful implementation of a resolution plan, if any, as may be approved by the Hon'ble NCLT or such other manner as specified in note 1 and 2 to the unaudited financial results.
- (f) We have been informed by the RP that certain information including the minutes of the meetings of the Committee of Creditors, cases filed by the RP against the key management personnel, suppliers, customers and other parties and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and could not be shared with anyone, other than the Committee of Creditors and NCLT. We have not been provided with sufficient, appropriate audit evidence, also in respect of the avoidance applications filed under the IBC Code by the RP due to the confidentiality involved.

In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact of the successful implementation of the resolution plan.

Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of those information.

- (g) We were informed that during the personal hearing with Enforcement Directorate relating to export realisations pertaining to the period from October 2006 to March 2015 (pre CIRP period), the Company has submitted the required explanations/ documents with the appropriate authorities. Since no show cause notice or demand is outstanding as at the reporting date, no adjustments have been considered in the above Statement.
- (h) Our review conclusion has been qualified in respect of matters referred to clauses (a) to (f) above. The above matters have also been qualified in our limited review reports of the earlier quarters.

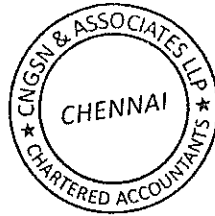


7. Based on our review conducted as above, except for the possible effects of the matters specified in Paragraph 5 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, as amended read with SEBI Circular No.CIR/ CFD/ CMD1/ 80/ 2019 dated July 19, 2019 which has been initialled by us for identification purposes. including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For CNGSN & ASSOCIATES LLP**  
Chartered Accountants  
Firm Registration No.004915S/ S200036

*Chinnamy Ganesan*

**(CHINNSAMY GANESAN)**  
Partner  
Membership No. 027501  
UDIN : 19027501AAAAA06443



Place: Chennai  
Date: November 14, 2019



## **CNGSN & ASSOCIATES LLP**

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### **Limited Review Report on the Consolidated Unaudited Financial Results for the quarter and six months ended September 30, 2019 of M/s Orchid Pharma Limited Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

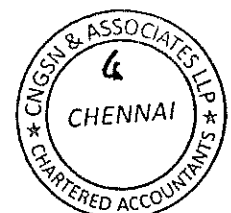
To

The Interim Resolution Professional  
Orchid Pharma Limited  
"Orchid Towers"  
313 Valluvar Kottam High Road  
Nungambakkam, Chennai 600 034

1. The Hon'ble National Company Law Tribunal ("NCLT"), Chennai Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by an operational creditor of Orchid Pharma Limited ("the Company") and appointed an Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Company vide CP.No. CP/ 540/ (IB)/ CB/ 2017, dated August 17, 2017. Subsequently, Mr. Ramkumar Sripatham Venkatasubramanian (IP Registration No. IBB/ IPA-001/ IP-P00015/ 2016-17/ 10039) has been appointed as the Resolution Professional ("RP") of the Company, by an order of Hon'ble NCLT with effect from October 27, 2017.

The Resolution Plan filed by the RP has been approved by the Hon'ble NCLT vide its order dated 25<sup>th</sup>/ 27<sup>th</sup> of June 2019. However, on a partition filed by one of the resolution applicants, the Hon'ble National Company Law Appellate Tribunal ("NCLAT") had set aside the order of the Hon'ble NCLT approving the aforesaid resolution plan, observing that it is against the object of Insolvency and Bankruptcy Code and section 30 (2) of the said code. The Hon'ble NCLAT observed that admittedly, the amount offered in favour of stakeholders including the financial creditors and operational creditors is being much less than the liquidation value, such plan cannot be accepted. The Hon'ble NCLAT also stated that it had not interfered with the impugned order dated 25<sup>th</sup>/ 27<sup>th</sup> of June 2019 by which the application filed by a resolution applicant was rejected. The Hon'ble NCLAT had remitted back the matter to the Adjudicating Authority for decision in accordance with law.

In view of pendency of the CIRP, the further developments stated above and in view of suspension of the powers of board of directors, it was explained to us that the powers of adoption of the unaudited financial results for the quarter and six months ended September 30, 2019 vest with the RP.



2. We have reviewed the unaudited consolidated financial results of M/s Orchid Pharma Limited ("the Group") for the quarter and six months ended September 30, 2019, together with the notes thereon, which are included in the accompanying 'Statement of Unaudited Standalone and Consolidated Financial Results for the quarter and six months ended September 30, 2019 ("the Statement")'.
3. This Statement is being submitted by the Group pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular No. CIR/ CFD/ CMD1/ 80/ 2019 dated July 19, 2019 which has been initialled by us for identification purposes.

The Statement is the responsibility of the Group's management and approved by the RP based on representations, clarifications and explanations provided by the Managing Director, Chief Financial Officer and Key Management Personnel of the Company (Refer Note 1 and 2 to the statement) has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.

Our responsibility is to issue a report on the Statement based on our review.

4. We conducted our review in accordance with the Standards on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
5. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
6. We draw attention to the following matters:
  - (a) Note 1 and 2 to the unaudited standalone and consolidated financial results, regarding application by an operational creditor, provisions under the Insolvency and Bankruptcy Code, 2016 ('the Code') and the consequential appointment of the RP under the Code, and adequacy of disclosures concerning the Group's ability to meet its financial and contractual obligations including management's technical estimates in regard to realisation of value of inventories, overdue receivables (net of provisions) amounting to Rs. 2,445.72 Lakhs, loans and advances given to various parties (net of provisions) amounting to Rs. 73,626.51 Lakhs (which includes capital advances of Rs.52,241.71 and other advances of Rs. 21,384.80 Lakhs), provision for impairment, if any, required for property, plant and equipment (PPE), PPE under development, internally generated intangible assets comprising of DBF/ ANDA, other non-monetary assets, investments, unamortised finance charges, claims made by/ advances given to employees, financial obligations including repayment of various loans, unpaid interest and the ability to fund various obligations pertaining to operations including unpaid/ overdue creditors together with the balances lying in the accumulated ERF, for ensuring/ commencing normal operations and further investments required towards ongoing research and development projects under progress (carrying amount of Rs.1,431 Lakhs).

The possible impact, if any, arising out of the above matters is not presently ascertainable.



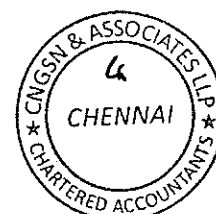
- (b) Confirmation of balances are not available for majority of the trade receivables, loans and advances given, trade payables, claims received from the employees, bank balances and bank loans as at September 30, 2019. Pursuant to the CIRP, the Group stopped providing interest on bank borrowings for the current year, after the CIRP commencement date and reversed the interest already accounted in the earlier years over and above the amount approved by the RP. In the absence of the confirmation of balances, the possible adjustments, if any, required in the Statement are not presently determinable.
- (c) We have not been provided with sufficient, appropriate audit evidence relating to physical verification of fixed assets/ related reconciliation with the books of account. Accordingly, we are unable to comment on the possible impact, if any, arising out of the above matters.
- (d) The value of claims lodged by the Financial Creditors includes Foreign Currency Term Loan availed by the Group from consortium of Banks led by Axis Bank, admitted under CIRP commencement date amounting to INR is Rs. 51,672.27 Lakhs and the same is carried in the Balance sheet at a value of Rs. 57,629.76 Lakhs, arrived at by restating the foreign currency value of the loan to the extent admitted with the closing exchange rate as on September 30, 2019. If this loan is stated at the INR value as admitted under CIRP, there will be a net gain of Rs. 4,941.23 Lakhs after setting off the Foreign Currency Monetary Item Translation Difference account carried under "other equity" in respect of this loan.

Pending completion of the CIRP process and related confirmation by Axis Bank, no adjustment is made in the financial statements in respect of the above.

- (e) The Group's net worth as on the reporting date is negative. The Hon'ble NCLAT had set aside the order of the Hon'ble NCLT approving the resolution plan and remitted back the matter to the Adjudicating Authority for decision in accordance with law, as more fully explained in Para 1 above, material uncertainties exist that may cause significant doubt on the Company's ability to continue as a going concern. However, the appropriateness of preparation of financial results on a going concern basis is subject to the outcome of the final NCLT order and the successful implementation of a resolution plan, if any, as may be approved by the Hon'ble NCLT or such other manner as specified in note 1 and 2 to the unaudited financial results.
- (f) We have been informed by the RP that certain information including the minutes of the meetings of the Committee of Creditors, cases filed by RP against the key management personnel, suppliers, customers and other parties and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and could not be shared with anyone, other than the Committee of Creditors and NCLT. We have not been provided with sufficient, appropriate audit evidence also in respect of avoidance applications filed under the IBC Code by the RP due to the confidentiality involved. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact of the successful implementation of the resolution plan.

Accordingly, we are unable to comment on the possible adjustments required in the carrying amount of assets and liabilities, possible presentation and disclosure impacts, if any, that may arise if we have been provided access to review of those information.

- (g) The consolidated financial results for the quarter and six months ended September 30, 2019 include the financial results for the quarter and six months ended September 30, 2019 of the following subsidiary companies:
- a. Orchid Europe Limited, UK
  - b. Orchid Pharmaceuticals Inc., USA
  - c. Bexel Pharmaceuticals Inc., USA
  - d. Orchid Pharmaceuticals SA (Proprietary) Limited, South Africa
  - e. Diakron Pharmaceuticals, Inc. USA

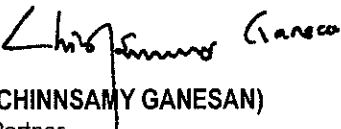


We have not carried out any review of the financial results of the above subsidiaries for the quarter and six months ended September 30, 2019 that reflect total assets of Rs. 8,127.57 Lakhs as at September 30, 2019, total revenue of Rs. 29.29 Lakhs, total comprehensive income (comprising of loss and other comprehensive income) of Rs. (-) 373.56 Lakhs and total cash flows of Rs. 106.65 Lakhs for the six months ended on that date, as considered in the Statement.

The financial results of the subsidiaries are unaudited/ not limited reviewed and have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries, is based solely on such unaudited financial results. Accordingly, we do not express any opinion on the completeness and true and fair view of the unaudited results, including adjustments, if any, required on the carrying amount of assets and liabilities of the above subsidiaries as at September 30, 2019 included in the above Statement.

- (h) We were informed that during the personal hearing with Enforcement Directorate relating to export realisations pertaining to the period from October 2006 to March 2015 (pre CIRP period), the Company has submitted the required explanations/ documents with the appropriate authorities. Since no show cause notice or demand is outstanding as at the reporting date, no adjustments have been considered in the above Statement.
  - (i) Our review conclusion has been qualified in respect of matters referred to clauses (a) to (g) above. The above matters have also been qualified in our limited review reports of the earlier quarters.
7. Based on our review conducted as above, except for the possible effects of the matters specified in Paragraph 6 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 as amended read with SEBI Circular No.CIR/ CFD/ CMD1/ 80/ 2019 dated July 19, 2019 which has been initialled by us for identification purposes. including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For CNGSN & ASSOCIATES LLP**  
Chartered Accountants  
Firm Registration No.004915S/ S200036

  
**(CHINNSAMY GANESAN)**  
Partner  
Membership No. 027501  
UDIN : 19027501AAAAA06443



Place: Chennai  
Date: November 14, 2019