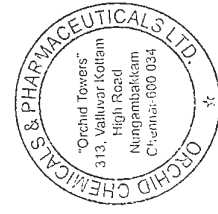


**AUDITED FINANCIAL RESULTS FOR EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2013**

**Orchid Chemicals  
& Pharmaceuticals Limited**

Rs. lakhs

S. No.	Particulars	Three months ended			Standalone for 18 months ended (Audited)	Standalone for the year ended (Audited)	Consolidated for 18 months ended (Audited)	Consolidated for the year ended (Audited)
		30-Sep-2013 (Unaudited)	30-Jun-2013 (Unaudited)	30-Sep-2012 (Unaudited)				
1	Net Sales / Income from Operations (Net of Excise Duty)	37,725.00	24,846.12	33,054.81	1,85,357.71	1,70,170.80	1,89,256.33	1,83,897.91
2	Other Operating Income	321.84	832.31	-	5,314.05	6,293.47	9,584.10	6,305.72
3	Total Operating Income (1+2)	38,046.84	25,678.43	33,054.81	1,90,671.76	1,76,464.27	1,98,840.43	1,90,203.63
4	Expenditure	22,615.13	12,188.27	15,202.02	82,246.39	80,241.50	85,468.99	89,767.62
	a) Purchases of stock-in-trade	(278.37)	404.64	1,420.27	5,099.37	4,546.38	5,062.03	3,438.65
	b) Cost of materials consumed	-3,998.55	-628.76	-914.03	8,481.03	-6,201.86	8,481.03	-5,575.39
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4,069.54	3,930.45	4,130.37	23,705.12	15,464.59	25,270.12	17,641.35
	d) Employees Cost	4,476.30	4,194.80	3,955.09	24,386.86	14,905.56	25,258.28	15,373.65
	e) Depreciation / Amortisation	16,239.68	5,480.61	9,272.27	54,179.51	41,242.32	59,464.38	43,652.27
	f) Other Expenditure	43,123.73	25,570.01	33,065.99	1,98,098.28	1,50,198.49	2,09,004.83	1,64,298.15
5	g) Total	-5,076.89	108.42	-11.18	-7,426.52	26,265.78	-10,164.40	25,905.48
	Profit / (Loss) from Operations before Other Income, Interest, Exceptional Item (3-4)	-	-	1.31	1.31	1.59	1.59	1.59
6	Other Income	-5,076.89	108.42	-9.87	-7,425.21	26,267.37	-10,162.81	25,907.07
7	Profit / (Loss) before Interest & Exceptional Item (5+6)	12,088.28	9,524.40	7,647.05	52,038.06	17,905.29	52,202.71	17,975.31
8	Finance cost	-17,165.17	-9,415.98	-7,656.92	-59,463.27	8,362.08	-62,365.52	7,931.76
9	Profit/(loss) after interest but before Exceptional Item (7-8)	-1,469.53	3,965.49	4,621.98	5,111.08	-8,388.14	5,111.09	-8,388.14
10	Exceptional item - Gain/(Loss)	-18,634.70	-5,450.49	-3,034.94	-54,352.19	-26.06	-57,254.43	-456.38
11	Profit/(Loss) before Tax (9+10) from Ordinary activities	1,400.02	-	-1,040.33	-1,329.56	-2,337.22	-1,252.26	-2,204.21
12	Tax expenses	-20,034.72	-5,450.49	-1,994.61	-53,022.63	2,311.16	-56,002.17	1,747.83
13	- Current Tax & Deferred Tax	-	-	-	-	8,000.00	-	8,000.00
14	Net Profit/(Loss) after Tax (11-12)	-20,034.72	-5,450.49	-1,994.61	-53,022.63	10,311.16	-56,002.17	9,747.83
15	Extraordinary item- (net of tax of Rs.Nil)	-	-	-	-	-	-196.49	-
16	Net Profit/(Loss) for the period (13+14)	-20,034.72	-5,450.49	-1,994.61	-53,022.63	10,311.16	-55,805.68	9,747.83
17	Less : Minority Interest	-	-	-	-	-	-	-
18	Net Profit/(Loss)	7,045.21	7,045.21	7,045.21	7,045.21	7,044.21	7,045.21	7,044.21
19	Paid-up Equity Share Capital (Face value of Rs.10/- each)	-	-	-	41,746.03	1,07,566.76	31,472.07	1,06,186.29
20	Reserves excluding Revaluation Reserves	-28.44	-7.74	-2.83	-75.26	3.28	-79.21	2.48
	Earnings per share (EPS) before extra-ordinary item	-28.44	-7.74	-2.83	-75.26	3.24	-79.21	2.45
	- Basic Rs.*	-28.44	-7.74	-2.83	-75.26	3.24	-79.21	2.45
	- Diluted Rs.*	-28.44	-7.74	-2.83	-75.26	3.24	-79.21	2.45
21	Earnings per share (EPS) after extra-ordinary item	-28.44	-7.74	-2.83	-75.26	14.64	-79.21	13.84
	- Basic Rs.*	-28.44	-7.74	-2.83	-75.26	14.64	-79.21	13.84
	- Diluted Rs.*	-28.44	-7.74	-2.83	-75.26	14.46	-79.21	13.67



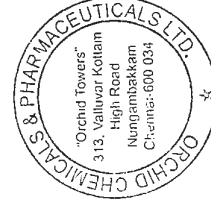


**AUDITED FINANCIAL RESULTS FOR EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2013**

**Orchid Chemicals  
& Pharmaceuticals Limited**

Rs. lakhs

<b>PARTICULARS OF SHAREHOLDING</b>									
<b>A</b>	<b>Public Shareholding</b>								
<b>1</b>	- Number of equity shares	4,77,11,295	4,77,11,295	4,76,11,295	4,77,11,295	4,77,11,295	4,76,01,295	4,77,11,295	4,76,01,295
	- Percentage of Shareholding	67.72	67.72	67.58	67.72	67.57	67.58	67.72	67.58
<b>2</b>	<b>Promoters and Promoter group shareholding</b>								
	a. Pledged / Encumbered								
	- Number of shares	1,89,41,608	1,86,59,262	1,76,76,037	1,89,41,608	1,70,60,383	1,89,41,608	1,89,41,608	1,70,60,383
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	83.29	82.05	77.39	83.29	74.69	83.29	83.29	74.69
	- Percentage of shares (as a % of the total share capital of the company)	26.89	26.48	25.09	26.89	24.22	26.89	26.89	24.22
	b. Non - Encumbered								
	- Number of shares	37,99,173	40,81,519	51,64,744	37,99,173	57,80,398	37,99,173	37,99,173	57,80,398
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	16.71	17.95	22.61	16.71	25.31	16.71	16.71	25.31
	- Percentage of shares (as a % of the total share capital of the company)	5.39	5.79	7.33	5.39	8.21	5.39	5.39	8.21



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## AUDITED FINANCIAL RESULTS FOR EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2013

Rs. lakhs

\* EPS for the period (except for the year ended on March 31, 2012) is not annualised.

1 The above audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 29, 2013. The audited results for the current period are for 18 months as against the previous audited results for a period of 12 months. Hence the figures are not comparable.

2 The Company is operating in single segment (i.e) "Pharmaceuticals".

3 The Company's application for Debt Restructuring has been admitted by the CDR Empowered Group and preparation of the restructuring package is under progress.

4 The Company has entered into a Business Transfer Agreement (BTA) dated August 29, 2012 with Hospira Healthcare India Private Limited for the sale and transfer of Orchid's Penicillin and Penem API business and the API facility located in Aurangabad (Maharashtra) together with an associated Process R&D infrastructure located in Chennai. The Business Transfer is likely to get completed after the approval of the CDR package.

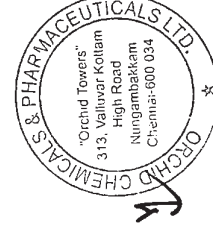
5 Exceptional items for eighteen months ended September 30, 2013 represents profit on sale of land/buildings of Rs.5389.99 Lakhs, profit on sale of investments in the Joint venture in China of Rs.5333.76 Lakhs and Exchange loss of Rs.5615.77 Lakhs.

6 The Company had exercised the option provided under the Companies (Accounting Standards) Amendment Rules, 2006 dated March 31, 2009. The Ministry of Corporate affairs vide notification dated 29/12/2011 has extended the amortisation of gains or losses arising on reporting of foreign currency monetary items over the balance period of such long term asset/liability. Accordingly exchange loss on long term foreign currency loans have been amortised over the balance period of such loans. The amount remaining to be amortised in the financial statements as at September 30, 2013 on account of exercising the above option is Rs.17657.84 Lakhs.

7 During the current quarter, the Company has decided to wind up the wholly owned subsidiary in Japan.

8 In respect of Consolidated results, in view of the smallness of the operations of the foreign subsidiaries and non-requirement of audit under respective laws in certain cases, the Company has decided to adopt management approved accounts for consolidation.

9 Previous period figures have been regrouped wherever necessary.



For and on behalf of the Board

Sd/-

K. Raghavendra Rao

Chairman &amp; Managing Director

Place : Chennai

Date : November 29, 2013



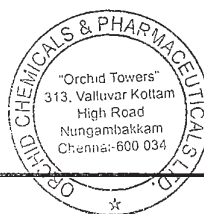


AUDITED FINANCIAL RESULTS FOR EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2013

Orchid Chemicals  
& Pharmaceuticals Limited

STATEMENT OF ASSETS AND LIABILITIES					
		Rs. Lakhs		Rs. Lakhs	
		Standalone		Consolidated	
		Audited		Audited	
Particulars		As at 30-Sep-13	As at 31-Mar-12	As at 30-Sep-13	As at 31-Mar-12
A	<b>EQUITY AND LIABILITIES</b>				
1	<b>SHAREHOLDERS' FUNDS:</b>				
	(a) Capital	7,045.21	7,044.21	7,045.21	7,044.21
	(b) Reserves and Surplus	41,746.03	1,07,586.76	31,472.07	1,06,186.29
	<b>Sub-total- Shareholders' funds</b>	<b>48,791.23</b>	<b>1,14,630.97</b>	<b>38,517.28</b>	<b>1,13,230.50</b>
2	<b>Minority Interest</b>			61.91	282.28
3	<b>Non-current liabilities</b>				
	(a) Long-term borrowings	90,178.12	1,07,414.69	90,179.41	1,07,414.68
	(b) Deferred tax liabilities (net)	15,788.78	17,118.34	15,737.01	17,007.41
	(c) Other long-term liabilities	3,889.63	4,634.08	8,878.94	4,634.08
	(d) Long-term provisions	523.98	771.97	523.98	771.97
	<b>Sub-total- Non-current liabilities</b>	<b>1,10,380.50</b>	<b>1,29,939.07</b>	<b>1,15,319.33</b>	<b>1,29,828.14</b>
4	<b>Current liabilities</b>				
	(a) Short-term borrowings	1,52,489.48	63,788.32	1,52,489.48	64,706.04
	(b) Trade payables	53,622.34	35,763.29	52,206.40	40,066.37
	(c) Other current liabilities	1,00,150.90	40,654.63	1,00,167.29	40,695.84
	(d) Short-term provisions	1,772.07	5,089.10	1,772.07	5,002.85
	<b>Sub-total-Current liabilities</b>	<b>3,08,034.79</b>	<b>1,45,295.34</b>	<b>3,06,635.23</b>	<b>1,50,471.11</b>
	<b>TOTAL-EQUITY AND LIABILITIES</b>	<b>4,67,206.53</b>	<b>3,89,865.38</b>	<b>4,60,533.75</b>	<b>3,93,812.02</b>
B	<b>ASSETS</b>				
1	<b>Non-current assets</b>				
	(a) Fixed assets	2,84,297.34	2,28,177.38	2,85,481.52	2,32,752.22
	(b) Goodwill on consolidation	-	-	9,482.33	9,861.25
	(c) Non-current investments	12,417.60	14,890.29	48.19	81.19
	(d) Long-term loans and advances	51,101.69	16,782.68	51,158.01	16,782.68
	(e) Other non-current assets	9,310.44	8,838.15	9,310.44	8,838.15
	<b>Sub-total- Non-current assets</b>	<b>3,57,127.07</b>	<b>2,68,688.50</b>	<b>3,55,480.49</b>	<b>2,68,315.48</b>
2	<b>Current assets</b>				
	(a) Inventories	50,008.02	62,359.91	50,623.93	66,872.54
	(b) Trade receivables	13,280.30	9,130.93	12,817.64	11,323.69
	(c) Cash and cash equivalents	2,239.52	16,958.51	2,342.35	17,859.52
	(d) Short-term loans and advances	44,551.62	32,727.53	39,269.34	29,440.79
	<b>Sub-total-current assets</b>	<b>1,10,079.46</b>	<b>1,21,176.88</b>	<b>1,05,053.26</b>	<b>1,25,496.54</b>
	<b>TOTAL-ASSETS</b>	<b>4,67,206.53</b>	<b>3,89,865.38</b>	<b>4,60,533.75</b>	<b>3,93,812.02</b>

Place : Chennai  
Date : November 29, 2013



For and on behalf of the Board

K. Raghavendra Rao  
Chairman & Managing Director

BSE: 524372    NSE: ORCHIDCHEM    Bloomberg: OCP@IN    Reuters: ORCD.BO

**Media Release**

**Chennai, India - November 29, 2013**

**Orchid Pharma registers turnover of Rs 1988 crore in FY13**

**Consolidated earnings for the fiscal ended September 30, 2013 (FY13)**

- Turnover of **Rs 1988 crore** [USD 317.6 million] in FY13 (18 months) compared to **Rs 1902 crore** [USD 303.8 million] during FY12 (12 months)
- Earnings before Interest, Depreciation and Tax stood at **Rs 151 crore** [USD 24.1 million] for the fiscal under review compared to **Rs 413 crore** [USD 65.9 million] registered during FY12
- Net (Loss) for the fiscal ended September 30, 2013 stood at **Rs (560) crore** [USD (89.4) million] compared to profit of **Rs 97 crore** [USD 15.6 million] for the previous fiscal
- EPS for the fiscal ended September 30, 2013 stood at **Rs (79.21)**

**Financial year extension**

The company had extended its financial year (FY 2012-13) by 6 months to September 30, 2013.

**1 US\$ = Rs 62.60**

**Update on the Corporate Debt Restructuring (CDR) initiative and the Business Transfer Agreement (BTA) with Hospira**

The Company has been admitted by Corporate Debt Restructuring (CDR) cell for restructuring its loans and the process of finalization of the package is currently underway. The Business Transfer Agreement (BTA) entered into with Hospira is part of the CDR initiative and will be completed in line with the CDR process.

**From the Chairman & Managing Director**

“Despite the tough liquidity and working capital related issues we are going through, we have managed to sustain sales and operating profitability which denotes the basic strength of the business. We are currently in an advanced stage of discussion with regard to the CDR package with the banks. The approval of the CDR package will help us put operations back on track and given our sound quality processes and product pipeline we are confident of a stronger performance going forward” said Mr K Raghavendra Rao, Chairman & Managing Director, Orchid Chemicals & Pharmaceuticals Ltd.

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‘Orchid Towers’, #313, Valluvar Kottam High Road, Nungambakkam, Chennai 600 034 INDIA



## Update on Regulatory filings

### Formulations

#### *United States*

As on September 2013, the cumulative ANDA (Abbreviated New Drug Application) filings count in the US stood at 43. This includes 8 Para IV FTF (First-To-File) filings. The break-up of the total ANDA filings is 13 in the Cephalosporins space and 30 in the NPNC (Non-penicillin, Non-cephalosporin) space.

On the approvals front too, Orchid. The count of approved ANDAs increased to 32 as of September 2013. The break-up of the approved ANDAs comprises of 11 in Cephalosporin space and 21 in the NPNC space.

#### *European Union*

The cumulative count of Marketing Authorizations (MAs) filed in the EU region stood at 30 as of September 2013 with 15 in the Cephalosporin space and 15 in the NPNC space.

On the approvals front, Orchid has received approvals for 30 MAs comprising 15 in the Cephalosporin space and 15 in the NPNC space.

### Active Pharmaceutical Ingredients (API)

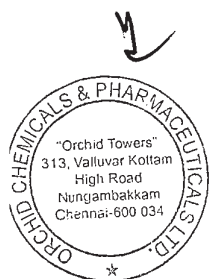
During the fiscal year 2013, Orchid increased the filing count of its US DMFs to 90. Of these 27 DMFs pertain to the Cephalosporin category, 48 to NPNCs, 2 to the Penicillin and 13 to the Carbapenems segment.

Similarly, in European market, the filings of CoS (Certificate of Suitability) stood at 21 which includes 14 in Cephalosporin space, 6 in the NPNC space and 1 in the Betalactam segment.

#### **About Orchid Pharma**

Orchid Chemicals & Pharmaceuticals Ltd. is a leading pharmaceutical company headquartered in Chennai, India involved in the development, manufacture and marketing of diverse bulk actives, formulations and nutraceuticals. With exports spanning more than 75 countries, Orchid is the largest manufacturer-exporter of cephalosporin bulk actives in India and is ranked amongst the Top 5-cephalosporin producers in the world. Orchid's world-class manufacturing infrastructure including USFDA and UK MHRA approved API and dosage form facilities are located at Chennai and Aurangabad. Orchid has dedicated state-of-the-art GLP compliant R&D centres for API research, drug discovery and pharmaceutical research at Chennai. Orchid has ISO 9001:2000, ISO 14001 and OHSAS 18001 certifications. Orchid is listed on the National Stock Exchange (NSE), Bombay Stock Exchange (BSE) and the Madras Stock Exchange (MSE) in India.

**'Orchid Towers', #313, Valluvar Kottam High Road, Nungambakkam, Chennai 600 034 INDIA**



Additional information is available at the company's website at [www.orchidpharma.com](http://www.orchidpharma.com)

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**Safe Harbour**

This release may include forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are other than statements of historical fact, including, but not limited to, those that are identified by the use of words such as "anticipates," "believes," "estimates," "expects," "intends," "plans," "predicts," "projects" and similar expressions. Risks and uncertainties that could affect us include, without limitation:

- General economic and business conditions in the markets we operate in;
- The ability to successfully implement our strategies, our research and development efforts, growth and expansion plans and technological changes;
- Changes in the value of the Rupee and other currency changes;
- Changes in the Indian and international interest rates;
- Changes in laws and regulations that apply to our customers, suppliers, and the pharmaceutical industry;
- Increasing competition in and the conditions of our customers, suppliers and the pharmaceutical industry

Should one or more of such risks and uncertainties materialize, or should any underlying assumption prove incorrect, actual outcomes may vary materially from those indicated in the applicable forward-looking statements. Any forward-looking statement or information contained in this presentation speaks only as of the date of the statement. We are not required to update any such statement or information to either reflect events or circumstances that occur after the date the statement or information is made or to account for unanticipated events.

**For ORCHID CHEMICALS &  
PHARMACEUTICALS LTD.**



**Executive Vice President - Finance & Secretary**

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**'Orchid Towers', #313, Valluvar Kottam High Road, Nungambakkam, Chennai 600 034 INDIA**