



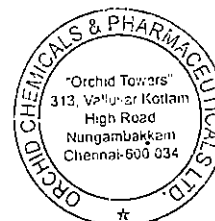
UNAUDITED FINANCIAL RESULTS FOR THREE MONTHS ENDED JUNE 30, 2015

Rs. lakhs

Sl. No.	Particulars	Three months ended			18 months ended
		30-06-2015 (Unaudited)	31-03-2015 (Unaudited)	30-06-2014 (Unaudited)	31-Mar-2015 (Audited)
1	Net Sales / Income from Operations (Net of Excise Duty)	25,371.46	28,293.87	27,862.54	1,71,267.15
2	Other Operating Income	261.83	2,183.95	647.20	4,105.45
3	Total Operating Income (1+2)	25,633.29	30,477.82	28,509.74	1,75,372.60
4	Expenditure				
	a) Cost of materials consumed	9,688.11	19,351.27	8,336.64	82,226.05
	b) Purchases of stock-in-trade	3,299.73	4.69	69.41	277.39
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(201.10)	(3,697.74)	4,018.55	(4,370.37)
	d) Employees Cost	2,186.93	2,137.61	4,089.52	18,534.86
	e) Depreciation / Amortisation	3,677.76	6,027.21	5,672.74	32,137.24
	f) Other Expenditure	4,716.65	3,986.17	7,842.70	42,565.12
	g) Total	23,368.08	27,809.21	30,029.56	1,71,370.29
5	Profit / (Loss) from Operations before Other Income, interest, Exceptional Item (3-4)	2,265.21	2,668.61	(1,519.82)	4,002.31
6	Other Income	-	6.20	-	83.90
7	Profit / (Loss) before Interest & Exceptional Item (5+6)	2,265.21	2,674.81	(1,519.82)	4,086.21
8	Finance cost	7,100.52	10,452.60	9,448.23	53,700.87
9	Profit/(loss) after interest but before Exceptional Item (7-8)	(4,835.31)	(7,777.79)	(10,968.05)	(49,614.66)
10	Exceptional Item - Gain/(Loss)	(1,196.11)	(10,093.46)	3,191.40	(15,726.30)
11	Profit/(Loss) before Tax (9+10) from Ordinary activities	(6,031.42)	(17,871.25)	(7,776.65)	(65,340.96)
12	Tax expenses				
	- Current Tax & Deferred Tax	(1,275.20)	(7,885.28)	(1,762.19)	(19,175.48)
13	Profit/(Loss) after Tax (11-12) from Ordinary activities	(4,756.22)	(9,985.97)	(6,014.46)	(46,165.48)
14	Extra-ordinary Items - Gain/(Loss) (Net of Tax)	-	(4,818.99)	-	27,061.48
15	Net Profit/(Loss) for the period (13+14)	(4,756.22)	(14,804.96)	(6,014.46)	(19,104.00)
16	Paid-up Equity Share Capital (Face value of Rs.10/- each)	8,526.19	8,526.19	7,045.21	8,526.19
17	Reserves excluding Revaluation Reserves	-	-	-	35,413.36
18	Earnings per share (EPS) before extra-ordinary item				
	- Basic Rs.*	(5.58)	(11.71)	(8.54)	(63.10)
	- Diluted Rs.*	(5.58)	(11.71)	(8.54)	(63.10)
19	Earnings per share (EPS) after extra-ordinary item				
	- Basic Rs.*	(5.58)	(17.36)	(8.54)	(26.11)
	- Diluted Rs.*	(5.58)	(17.36)	(8.54)	(26.11)

\* EPS for the period (not annualised)

Sl.No	Particulars	As at 30-Jun-15	As at 31-Mar-15	As at 30-Jun-14	As at 31-Mar-2015
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>				
1	Public Shareholding				
	- Number of equity shares	4,77,11,295	4,77,11,295	4,77,11,295	4,77,11,295
	- Percentage of Shareholding	55.96	55.96	67.72	55.96
2	Promoters and Promoter group shareholding				
	a. Pledged / Encumbered				
	- Number of shares	3,44,33,453	3,46,28,453	1,82,90,400	3,46,28,453
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	91.70	92.21	80.43	92.21
	- Percentage of shares (as a % of the total share capital of the company)	40.38	40.61	25.96	40.61
	b. Non - Encumbered				
	- Number of shares	31,17,129	29,22,129	44,50,381	29,22,129
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	8.30	7.78	19.57	7.78
	- Percentage of shares (as a % of the total share capital of the company)	3.66	3.43	6.32	3.43



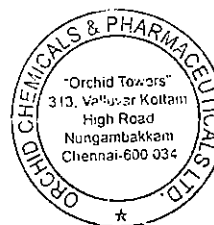


UNAUDITED FINANCIAL RESULTS FOR THREE MONTHS ENDED JUNE 30, 2015

Rs. lakhs

PARTICULARS		
<b>B</b>	<b>INVESTOR COMPLAINTS</b>	
	Pending at the beginning of the quarter	- NIL -
	Received during the quarter	2
	Disposed of during the quarter	2
	Remaining unresolved at the end of the quarter	- NIL -
1	The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 13, 2015 and have been subjected to limited review by the statutory auditors.	
2	The Company is operating in a single segment (i.e) "Pharmaceuticals".	
3	Exceptional items for three months ended June 30, 2015 represents amortisation of exchange loss on restatement of Foreign currency loans amounting to Rs.1196.11 Lakhs (Corresponding previous quarter Rs.826.31 Lakhs)	
4	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 June 30, 2015 on account of exercising the above option is Rs.11522.56 Lakhs.	
5	From 01/04/2015, the Company has adopted Schedule II rates as provided in the Companies Act, 2013. On account of adoption of these rates, the depreciation for the quarter is lower by Rs.627.18 Lakhs. In accordance with the transition provision available under Schedule II, a sum of Rs.1586.70 Lakhs has been debited to Reserves. These provisions have been adopted since this is the first financial year commencing after the effective date of Companies Act, 2013 came in to force.	
6	Interest expenses for the quarter is net of interest earned Rs.469.70 Lakhs (Corresponding previous quarter Rs.23.70 Lakhs)	
7	The figures for the current quarter are not comparable to that of the corresponding previous quarter since the corresponding previous quarter figure includes the financials of Aurangabad Unit which has been disposed of in July 2014.	
8	The Board of Directors, at their meeting held on 13/08/2015, approved the change of the name of the Company from "Orchid Chemicals & Pharmaceuticals Ltd." to "Orchid Pharma Ltd.", subject to necessary approvals.	
9	The auditors have observed matters relating to recovery of certain advances paid to suppliers, non-provision of diminution in value of investments in foreign R&D subsidiaries and non provision of amount due from marketing subsidiary. The Corporate Debt Restructuring scheme already approved has been implemented in July 2014. Due to financial constraints, the Company was not able to take delivery of materials/capital goods and the company is confident that with the CDR implementation, the company would be able to take delivery of these materials in due course. As far as the diminution in value of investments is concerned, the Company is confident that the value of intellectual property of molecules held by the foreign subsidiaries will be more than the investment. In respect of dues from the marketing subsidiary, the Company has already started exporting and selling profitable products through its marketing subsidiaries and the profit made from the operations will be available for settlement of past dues. Hence the management expects that the observations made by the auditors will not have any material impact on the financials. The Company has disputes with certain banks and hence interest on loans/facilities availed from such banks has been provided on an estimated basis.	
10	Previous period figures have been regrouped wherever necessary.	

Place : Chennai  
Date : August 13, 2015



For and on behalf of the Board

K. Raghavendra Rao  
Managing Director



**Q1 FY16 Earnings**

**Chennai, India – Aug 13, 2015**

**Orchid Pharma registers turnover of Rs 256 crore in Q1 FY16, EBITDA of Rs 59 crore.**

**Financial highlights for Quarter ended June 30, 2015 (Q1 FY16) – Standalone**

- Revenue of Rs 256.3 crore (US\$ 39.9 million) in the quarter ended June 30, 2015 (Q1 FY16) as compared to Rs 285.1 crore (US\$ 44.4 million) registered during the quarter ended June 30, 2014 (Q3 FY15).
- EBITDA of Rs 59.4 crore (US\$ 9.3 million) in the quarter ended June 30, 2015 as compared to Rs 41.5 crore (US\$ 6.5 million) in the quarter ended June 30, 2014.
- At the net level, the company registered a loss of Rs 47.6 crore (US\$ 7.4 million) during the quarter ended June 30, 2015 as compared to a loss of Rs 60.1 crore (US\$ 9.4 million) for the corresponding quarter ended June 30, 2014.

**\* 1 US\$ = Rs 64.20**

**From the Managing Director**

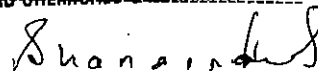
“With the CDR implementation in place and based on the recent product approvals obtained from US FDA, the Company is gearing up its operations and we expect volume growth in regulated markets in the quarters to come” said Mr K Raghavendra Rao, Managing Director, Orchid Chemicals & Pharmaceuticals Ltd.

**About Orchid Pharma**

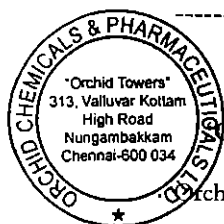
Orchid Chemicals & Pharmaceuticals Ltd. is a leading pharmaceutical company headquartered in Chennai, India involved in the development; manufacture and marketing of diverse bulk actives, formulations and nutraceuticals. With exports spanning more than 75 countries, Orchid is the largest manufacturer-exporter 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 located at Chennai. 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 14001 and OHSAS 18001 certifications. Orchid is listed on the National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India.

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

For ORCHID CHEMICALS & PHARMACEUTICALS LTD



Orchid Towers\*, #313, Valluvar Kottam High Road, Nungambakkam, Chennai 600 034 INDIA **CEO & Company Secretary**

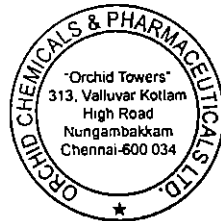


**Safe Harbour**

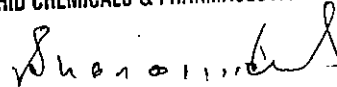
This release may include forward-looking statements and information that involve risks, uncertainties and assumptions. Forward-looking statements are all statements that concern plans, objectives, goals, strategies, future events or performance and underlying assumptions and other statements that are 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



CFO & Company Secretary

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

# SNB ASSOCIATES

CHARTERED ACCOUNTANTS

12, 3rd Floor, Gemini Parsn Complex, 121, Mount Road, Chennai - 600 006 Phone 28224382

## AUDITORS' REPORT

### TO THE BOARD OF DIRECTORS OF ORCHID CHEMICALS AND PHARMACEUTICALS LIMITED ON LIMITED REVIEW OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2015

We have reviewed the accompanying statement of unaudited financial results of **ORCHID CHEMICALS AND PHARMACEUTICALS LIMITED** ("the Company") for the quarter ended 30<sup>th</sup> June 2015 except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding", which have been traced from disclosures, made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

- I. The Company has given advances amounting to Rs. 679 crores to various parties and are outstanding as on June 30, 2015. The Company has not received any materials/ capital goods against these advances. As per information and explanation given, the Company is not able to take delivery of materials due to financial constraints. We are not able to express any opinion on the recoverability of these amounts.***
  
- II. The Company has investments of Rs. 123.07 Crores and loans of Rs. 34.66 Crores in two subsidiaries carrying on research and development activities. These subsidiaries have not been spending any money on the research during the current period as no financial support is given by the parent Company and the parent Company has not allocated any funds for the future development. No information is also available with the company regarding the value of molecules available with the company. In view of the above, it is necessary to impair the value of this investment.***



Mumbai : A-503, Sagar Tech Plaza, Near Saki Naka Signal Andheri Kurla Road, Andheri (East) Mumbai - 400 072.  
Phone : 2852 7551, 6552 9767, 6559 3571

Bangalore : W-304, Sunrise Chambers, 22, Ulsoor Road, Bangalore - 560 042. Phone : 2559 7980, 2558 2043

- III. The Company debt restructuring process has been approved. The Company as at 30<sup>th</sup> June 2015, has not received final confirmation of balances from some of the banks/ institution relating to the loan and interest funded. The entries have been passed based on the information available with the company and the interest so accounted are subject to effect of final reconciliation and confirmation of all the banks.**
- IV. The company has an exposure of Rs.39.11 Crores towards receivables from one of its marketing subsidiary whose net worth is negative Provision has not been made for same.**

Based on our review conducted as stated above, subject to the previous paragraphs (I to IV) above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results, prepared in accordance with Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatements .

**For SNB ASSOCIATES**  
Chartered Accountants  
Firm Registration No. 015682N

  
P Bharath Kumar  
Partner  
M.No: 222579



Date: August 13, 2015  
Place: Chennai