

November 09, 2016

**Bombay Stock Exchange Limited
Corporate Relationship Department
1st floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai - 400 001**

Dear Sir/Madam,

**Sub: Unaudited Financial Results for the Quarter ended
30th September , 2016**

In accordance with the Regulation 33 of the listing regulations 2015, we are enclosing the following:

- ❖ Copy of the unaudited financial results of the Company for the quarter ended September 30, 2016.
- ❖ Copy of the Limited review report on the aforesaid unaudited financial results as issued by the Statutory Auditors of the Company.

The above Unaudited Financial Results and the Limited review report have been taken on record by the Board of Directors at their meeting held on November 09, 2016.

This is for your information and records.

Thanking you,

Yours faithfully,



L Chandrasekar
Executive V P – Finance & Secretary.

Encl.: a/a



SNB ASSOCIATES

CHARTERED ACCOUNTANTS

12, 3rd Floor, Gemini Parsn Complex, 121, Anna Salai, Chennai - 600 006. Phone : 28224382

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE BOARD OF DIRECTORS OF M/S ORCHID PHARMA LIMITED ON LIMITED REVIEW OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS PERIOD ENDED SEPTEMBER 30, 2016

We have reviewed the accompanying statement of unaudited financial results of **M/S ORCHID PHARMA LIMITED** ("the Company") for the quarter and six months period ended September 30, 2016. 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 September 30, 2016. 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. 36.33 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.***

Based on our review conducted as stated above, subject to the previous paragraphs (I to II) above, nothing has come to our notice that causes us to believe that the accompanying Statement of unaudited financial results for the quarter and six months period ended September 30, 2016, prepared in accordance with applicable accounting standards specified



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SNB ASSOCIATES

under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular No. CIR/ CFD/ CMD/ 15/2015 dated 30th November, 2015, 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



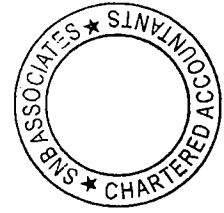
Date: November 9, 2016
Place: Chennai



STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / SIX MONTHS ENDED SEPTEMBER 30, 2016

| Sl. No. | Particulars | Three months ended | | | Six Months ended | | Year ended 31-Mar-2016 (Audited) |
|---------|------------------------------------------------------------------------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|----------------------------------------|
| | | 30/09/2016 (Unaudited) | 30/06/2016 (Unaudited) | 30/09/2015 (Unaudited) | 30/09/2016 (Unaudited) | 30/09/2015 (Unaudited) | |
| 1 | Income from Operations | | | | | | |
| | a) Net Sales / Income from Operations | 18,359.22 | 18,445.06 | 21,049.97 | 36,804.28 | 46,797.88 | 87,666.17 |
| | b) Other Operating Income | 414.21 | 923.59 | 396.97 | 1,337.80 | 658.80 | 1,322.39 |
| | Total income from Operations (net) | 18,773.43 | 19,368.65 | 21,446.94 | 38,142.08 | 47,456.68 | 88,988.56 |
| 2 | Expenses | | | | | | |
| | a) Cost of Materials consumed | 8,048.28 | 7,153.26 | 11,905.79 | 15,201.54 | 21,593.90 | 36,701.01 |
| | b) Purchases of Stock-in-Trade | 611.05 | 1,772.65 | 60.06 | 2,383.70 | 3,359.79 | 3,701.23 |
| | c) Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade | (116.69) | 2,169.07 | (1,756.87) | 2,052.38 | (1,957.97) | 1,528.82 |
| | d) Employee benefits expense | 1,968.83 | 1,868.81 | 2,253.47 | 3,837.64 | 4,440.40 | 8,263.08 |
| | e) Depreciation and Amortisation expense | 3,474.21 | 3,451.26 | 3,574.14 | 6,925.47 | 7,251.90 | 14,341.22 |
| | f) Other Expenses | 4,901.21 | 4,179.28 | 4,646.87 | 9,080.49 | 9,739.97 | 19,844.52 |
| | Total Expenses | 18,886.89 | 20,594.33 | 20,683.46 | 39,481.22 | 44,427.99 | 84,379.88 |
| 3 | Profit / (Loss) from Operations before Other Income, Finance cost and Exceptional Items (1-2) | (113.46) | (1,225.68) | 763.48 | (1,339.14) | 3,028.69 | 4,608.68 |
| 4 | Other Income | - | - | 0.93 | - | 0.93 | 916.69 |
| 5 | Profit / (Loss) from Ordinary activities before Finance cost and Exceptional Items (3+4) | (113.46) | (1,225.68) | 764.41 | (1,339.14) | 3,029.62 | 5,525.37 |
| 6 | Finance costs | 7,123.82 | 6,918.40 | 7,574.73 | 14,042.22 | 14,675.25 | 29,423.18 |
| 7 | Profit/(loss) from Ordinary activities after Finance costs but before Exceptional Item (5+6) | (7,237.28) | (8,144.08) | (6,810.32) | (15,381.36) | (11,645.63) | (23,897.81) |
| 8 | Exceptional Item - Gain/(Loss) | (817.13) | (1,053.72) | (1,329.88) | (1,870.85) | (2,525.99) | (5,254.53) |
| 9 | Profit/(Loss) before Tax (9+10) from Ordinary activities before Tax (7+8) | (8,054.41) | (9,197.80) | (8,140.20) | (17,252.21) | (14,171.62) | (29,152.34) |
| 10 | Tax expense | (1,202.42) | (1,195.73) | (1,245.87) | (2,398.15) | (2,521.07) | (1,725.07) |
| 11 | Net Profit/(Loss) from Ordinary activities after Tax (9 ± 10) | (6,851.99) | (8,002.07) | (6,894.33) | (14,854.06) | (11,650.55) | (27,427.27) |
| 12 | Extra-ordinary Items - Gain/(Loss) (net of tax) | - | (8,625.85) | - | (8,625.85) | - | - |
| 13 | Net Profit/(Loss) for the period (11 ± 12) | (6,851.99) | (16,627.92) | (6,894.33) | (23,479.91) | (11,650.55) | (27,427.27) |
| 14 | Paid-up Equity Share Capital (Face value of Rs.10/- each) | 8,896.43 | 8,896.43 | 8,526.19 | 8,896.43 | 8,526.19 | 8,896.43 |
| 15 | Reserves excluding Revaluation Reserves | - | - | - | - | - | 8,217.04 |
| 16 | Earnings per share (EPS) before extra-ordinary items (of Rs.10 each) | (7.70) | (8.99) | (8.09) | (16.70) | (13.66) | (31.51) |
| | - Basic Rs.* | (7.70) | (8.99) | (8.09) | (16.70) | (13.66) | (31.51) |
| 17 | Earnings per share (EPS) after extra-ordinary item (of Rs.10 each) | (7.70) | (18.69) | (8.09) | (26.39) | (13.66) | (31.51) |
| | - Basic Rs.* | (7.70) | (18.69) | (8.09) | (26.39) | (13.66) | (31.51) |
| | - Diluted Rs.* | (7.70) | (18.69) | (8.09) | (26.39) | (13.66) | (31.51) |

* EPS for the period (not annualised)
 See accompanying note to the Financial Results





STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / SIX MONTHS ENDED SEPTEMBER 30, 2016

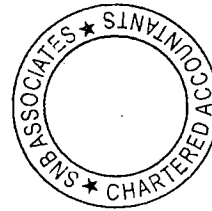
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|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 November 9, 2016. |
| 2 | The Company is operating in a single segment (i.e) "Pharmaceuticals". |
| 3 | Exceptional items for quarter ended September 30, 2016 includes amortisation of exchange loss on restatement of Foreign currency loans amounting to Rs.817.13 Lakhs (Corresponding previous quarter ended September 30, 2015 Rs.1329.88 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 on account of exercising the above option is Rs.9,003.30 Lakhs. |
| 5 | Interest expenses for the quarter ended September 30, 2016 is net of interest earned Rs. 372.25 Lakhs (Corresponding previous quarter ended September 30, 2015 Rs.616.51 Lakhs) |
| 6 | Extra-ordinary item for the quarter ended June 30, 2016 and for the half year ended September 30, 2016 represents write-off of hold back money and inventory related to Transfer of Penam and Penicillin Business during July 2014. |
| 7 | The auditors have observed matters relating to recovery of certain advances paid to suppliers and non-provision of diminution in value of investments in foreign R&D subsidiaries. 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. The company is confident that it would be able to take delivery of these materials/capital goods in due course, based on its performance. During the third quarter the Company, through its subsidiary, has entered in to a long term financial arrangement which will help the Company explore new growth opportunities while enabling the current business achieve incremental value. This will also enable the Company to fulfill all capital commitments and take delivery of the materials / capital goods / adjust the advances. 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. Hence the Board of Directors considering the explanation given by the Management is of the opinion that the observations made by the auditors will not have any material impact on the financials. |
| 8 | Previous period figures have been regrouped wherever necessary. |

Place : Chennai
 Date : 09/11/2016

For and on behalf of the Board



K. Raghavendra Rao
 K. Raghavendra Rao
 Managing Director





Orchid Pharma Ltd.
(Formerly Orchid Chemicals & Pharmaceuticals Ltd.)

STATEMENT OF ASSETS AND LIABILITIES

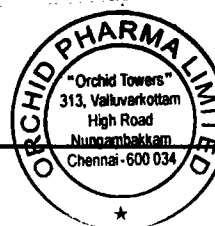
Rs. Lakhs

| | Particulars | As at | As at |
|----------|-------------------------------------------|--------------------|--------------------|
| | | 30/09/2016 | 31/03/2016 |
| | | UnAudited | Audited |
| A | EQUITY AND LIABILITIES | | |
| 1 | Shareholders' funds | | |
| | (a) Share Capital | 8,896.43 | 8,896.43 |
| | (b) Reserves and Surplus | -13,901.09 | 8,217.04 |
| | Sub-total- Shareholders' funds | -5,004.66 | 17,113.47 |
| 2 | Non-current liabilities | | |
| | (a) Long-term borrowings | 2,27,506.36 | 2,37,753.66 |
| | (b) Deferred tax liabilities (net) | 7,016.08 | 9,414.23 |
| | (c) Long-term provisions | 373.09 | 373.09 |
| | Sub-total- Non-current liabilities | 2,34,895.53 | 2,47,540.98 |
| 3 | Current liabilities | | |
| | (a) Short-term borrowings | 60,377.32 | 63,362.38 |
| | (b) Trade payables | 37,530.47 | 35,308.80 |
| | (c) Other current liabilities | 38,135.09 | 28,505.36 |
| | (d) Short-term provisions | 4,519.59 | 4,421.59 |
| | Sub-total-Current liabilities | 1,40,562.47 | 1,31,598.13 |
| | TOTAL-EQUITY AND LIABILITIES | 3,70,453.34 | 3,96,252.58 |
| B | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Fixed assets | 1,75,574.45 | 1,82,076.30 |
| | (b) Non-current investments | 12,464.72 | 12,464.72 |
| | (c) Long-term loans and advances | 56,441.87 | 56,581.90 |
| | (d) Other non-current assets | 12,901.35 | 12,701.07 |
| | Sub-total- Non-current assets | 2,57,382.39 | 2,63,823.99 |
| 2 | Current assets | | |
| | (a) Inventories | 18,514.76 | 21,034.45 |
| | (b) Trade receivables | 35,238.71 | 37,544.03 |
| | (c) Cash and cash equivalents | 27,584.19 | 31,311.22 |
| | (d) Short-term loans and advances | 31,733.29 | 32,038.89 |
| | (e) Other Current Assets | - | 10,500.00 |
| | Sub-total-current assets | 1,13,070.95 | 1,32,428.59 |
| | TOTAL ASSETS | 3,70,453.34 | 3,96,252.58 |

Place : Chennai
Date : 09/11/2016



For and on behalf of the Board



K. Raghavendra Rao
K. Raghavendra Rao
Managing Director

November 09, 2016

**Bombay Stock Exchange Limited
Corporate Relationship Department
1st floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort
Mumbai - 400 001**

Sub: Press Release

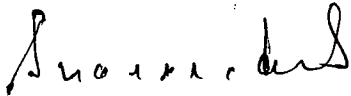
Dear Sir/Madam,

Please find enclosed the Press Release issued in connection with Unaudited Financial Results of the Company for the quarter ended September 30, 2016.

Kindly take it on your records.

Thanking you,

Yours faithfully,



L Chandrasekar
Executive V P – Finance & Secretary.

Encl.: a/a



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

Q2FY16Earnings

Chennai, India – November 9, 2016

Orchid Pharma registers turnover of Rs 187.73 crore in Q2 FY16, EBITDA of Rs 33.60 crore.

Financial highlights for Quarter ended September 30, 2016 (Q2 FY16) – Standalone

- Revenue of Rs 187.73 crore (US\$ 27.9 million) in the quarter ended September 30, 2016 (Q2 FY16) as compared to Rs 214.46 crore (US\$ 31.9 million) registered during the quarter ended September 30, 2015 (Q2 FY15).
- EBITDA of Rs 33.60 crore (US\$ 5.0 million) in the quarter ended September 30, 2016 as compared to Rs 43.39 crore (US\$ 6.5 million) in the quarter ended September 30, 2015.
- At the net level, the company registered a loss of Rs 68.51 crore (US\$ 10.2 million) during the quarter ended September 30, 2016 as compared to a loss of Rs 68.94 crore (US\$ 10.3 million) for the corresponding quarter ended September 30, 2015.

* 1 US\$ = Rs 67.20

For ORCHID PHARMA LTD.


Executive VP - Finance & Secretary

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