

August 13, 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 June, 2016**

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

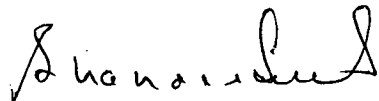
- ❖ Copy of the unaudited financial results of the Company for the quarter ended June 30, 2016.
- ❖ Copy of the Limited review report on the aforesaid unaudited financial results as issued by the Statutory Auditors of the Company.

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 August 13, 2016.

This is for your information and records.

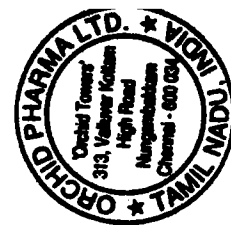
Thanking you,

Yours faithfully,



L Chandrasekar
Executive V P – Finance & Secretary.

Encl.: a/a



(Handwritten signature)

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

Sl. No.	Particulars	Three months ended			Year ended
		30-06-2016 (Unaudited)	31-03-2016 (Unaudited)	30-06-2015 (Unaudited)	
1	Income from Operations				
	a) Net Sales / Income from Operations (Net of Excise Duty)	18,167.74	20,366.73	25,371.46	86,611.46
	b) Other Operating Income	923.59	477.14	261.83	1,322.39
	Total income from Operations (net)	19,091.33	20,843.87	25,633.29	87,933.85
2	Expenses				
	a) Cost of Materials consumed	7,153.26	7,133.25	9,688.11	36,701.01
	b) Purchases of Stock-in-Trade	1,772.65	20.68	3,299.73	3,701.23
	c) Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade	2,169.07	1,820.81	(201.10)	1,528.82
	d) Employee benefits expense	1,868.81	1,683.87	2,186.93	8,263.08
	e) Depreciation and Amortisation expense	3,451.26	3,504.98	3,677.76	14,341.22
	f) Other Expenses	3,901.96	5,377.67	4,716.65	18,789.81
	Total Expenses	20,317.01	19,541.26	23,368.08	83,325.17
3	Profit / (Loss) from Operations before Other Income, Finance cost and Exceptional Items (1±2)	(1,225.68)	1,302.61	2,265.21	4,608.68
4	Other Income	-	915.76	-	916.69
5	Profit / (Loss) from Ordinary activities before Finance cost and Exceptional Items (3+4)	(1,225.68)	2,218.37	2,265.21	5,525.37
6	Finance costs	6,918.40	7,134.38	7,100.52	29,423.18
7	Profit/(loss) from Ordinary activities after Finance costs but before Exceptional Item (5±6)	(8,144.08)	(4,916.01)	(4,835.31)	(23,897.81)
8	Exceptional item - Gain/(Loss)	(1,053.72)	(1,362.31)	(1,196.11)	(5,254.53)
9	Profit/(Loss) before Tax (9±10) from Ordinary activities before Tax (7±8)	(9,197.80)	(6,278.32)	(6,031.42)	(29,152.34)
10	Tax expense	(1,195.73)	96.00	(1,275.20)	(1,725.07)
11	Net Profit/(Loss) from Ordinary activities after Tax (9 ± 10)	(8,002.07)	(6,374.32)	(4,756.22)	(27,427.27)
12	Extra-ordinary items - Gain/(Loss) (net of tax)	(8,625.85)	-	-	-
13	Net Profit/(Loss) for the period (11 ± 12)	(16,627.92)	(6,374.32)	(4,756.22)	(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
15	Reserves excluding Revaluation Reserves	-	-	-	8,217.04
16	Earnings per share (EPS) before extra-ordinary items (of Rs.10 each)				
	- Basic Rs.*	(8.99)	(7.32)	(5.58)	(31.51)
	- Diluted Rs.*	(8.99)	(7.32)	(5.58)	(31.51)
	Earnings per share (EPS) after extra-ordinary item (of Rs.10 each)				
	- Basic Rs.*	(18.69)	(7.32)	(5.58)	(31.51)
	- Diluted Rs.*	(18.69)	(7.32)	(5.58)	(31.51)

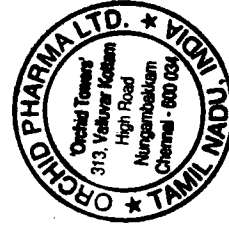
* EPS for the period (not annualised)
 See accompanying note to the Financial Results





STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

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, 2016.
2	The Company is operating in a single segment (i.e) "Pharmaceuticals".
3	Exceptional items for quarter ended June 30, 2016 includes amortisation of exchange loss on restatement of Foreign currency loans amounting to Rs.1053.72 Lakhs (Corresponding previous quarter Rs.1196.11 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.10,699.64 Lakhs.
5	Interest expenses for the quarter ended June 30, 2016 is net of interest earned Rs. 441.88 Lakhs (Corresponding previous quarter period Rs.469.70 Lakhs)
6	Extra-ordinary item 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. In December 2015, the Company, through its subsidiary, has entered in 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 option that the observations made by the auditors will not have any material impact on the financials.
8	Figures for the quarter ended March 31, 2016 are the balancing figures between audited figures in respect of the full financial year and the published period to date figures up to the end of third quarter of that financial year. Also the figures up to the end of third quarter had only been reviewed and not subjected to audit.
9	Previous period figures have been regrouped wherever necessary.



For and on behalf of the Board

K. Raghavendra Rao
Managing Director

Place : Chennai

Date : August 13, 2016

SNB ASSOCIATES

Chartered Accountants

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF M/S ORCHID PHARMA LIMITED ON LIMITED REVIEW OF
STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2016

We have reviewed the accompanying statement of standalone unaudited financial results of **M/S ORCHID PHARMA LIMITED** ("the Company") for the quarter ended 30th June 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 June 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. 36.77 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, prepared in accordance with Accounting Standards specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (

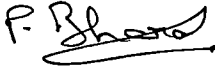
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Phone: 28224382; Email: chennai@snba.in



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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: 13/08/2016
Place: Chennai