



Corp. Off. 'Orchid Towers' 313, Valluvarkottam High Road, Nungambakkam, Chennai - 600 034. India. Tel : (91) - 44- 2821 1000 Fax : (91) - 44 - 2821 1002

November 09, 2012

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

Dear Sirs,

Sub: Exit from the Joint Venture

In accordance with the listing agreement, we would like to inform you that the Board has approved the transfer of Orchid's 50% equity holding in the Joint venture in China viz NCPC Orchid Pharmaceuticals Co. Ltd, to the Joint Venture partner in China. A copy of the press release issued in this regard is enclosed.

Kindly take the above on your records.

Thanking you,

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Bhoomijha Murali'.

**Bhoomijha Murali
Sr. GM – Legal & Company Secretary.**



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

Media Release

Chennai, India – November 09, 2012

Orchid Pharma to exit its Chinese JV

Strategy to consolidate manufacturing operations in India .

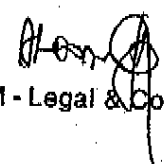
Chennai-based global pharma major, Orchid Chemicals & Pharmaceuticals Ltd. (Orchid Pharma) today said that it was exiting its 50:50 manufacturing joint venture in China.

The 50% stake that Orchid holds in the Joint Venture (JV) company (NCPC-Orchid Pharmaceuticals) will be transferred to the partner company (NCPC) for a total cash consideration of USD 13.9 million (RMB 87.5 million).

Orchid had in 2002 entered into a 50:50 JV with North China Pharmaceutical Corporation (NCPC) to set up a Cephalosporin API manufacturing facility located in Shijiazhuang, China.

Commenting on the development, Orchid's Chairman & Managing Director Mr K Raghavendra Rao said, "With the local Chinese players fast integrating, the operating conditions have grown quite competitive in China. Moreover, the products that the JV manufactures and markets in the local Chinese market have reached a mature stage resulting in flat growth prospects going forward. Hence, it was a prudent decision to relinquish our stake to the partner and exit the JV".

For ORCHID CHEMICALS
& PHARMACEUTICALS LTD.


Sr.GM - Legal & Company Secretary

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