

February 10, 2016

**National Stock Exchange of India Ltd
Listing Department
Exchange Plaza, 5th Floor, Plot No: C/1
G - Block, Bandra - Kurla Complex
Bandra (East), Mumbai – 400051**

Dear Sir/Madam,

**Sub: Unaudited Financial Results for the Quarter/nine months ended
31st December, 2015**

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

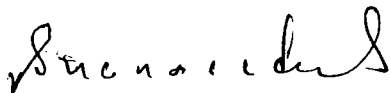
- ❖ Copy of the unaudited financial results of the Company for the quarter/ nine months ended December 31, 2015.
- ❖ Copy of the limited review report on the aforesaid unaudited financial results as issued by the Statutory Auditors of the Company.

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 February 10, 2016.

This is for your information and records.

Thanking you,

Yours faithfully,



**L Chandrasekar
Executive V P – Finance & Secretary.**

Encl.: a/a

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2015

Rs. lakhs

Sl. No.	Particulars	Three months ended			Nine months ended	18 months ended
		31-12-2015 (Unaudited)	30-09-2015 (Unaudited)	31-12-2014 (Unaudited)	31-Dec-2015 (Unaudited)	31-Mar-2015 (Audited)
1	Income from Operations					
	a) Net Sales / Income from Operations (Net of Excise Duty)	20,188.59	20,684.68	15,902.21	66,244.73	1,71,267.15
	b) Other Operating Income	186.45	396.97	551.31	845.25	4,105.45
	Total income from Operations (net)	20,375.04	21,081.65	16,453.52	67,089.98	1,75,372.60
2	Expenses					
	a) Cost of Materials consumed	7,973.86	11,905.79	12,592.96	29,567.76	82,226.05
	b) Purchases of Stock-in-Trade	320.76	60.06	11.65	3,680.55	277.39
	c) Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade	1,665.98	(1,756.87)	(5,642.23)	(291.99)	(4,370.37)
	d) Employee benefits expense	2,138.81	2,253.47	2,134.75	6,579.21	18,534.86
	e) Depreciation and Amortisation expense	3,584.34	3,574.14	4,430.18	10,836.24	32,137.24
	f) Other Expenses	4,413.91	4,281.58	4,645.65	13,412.14	42,565.12
	Total Expenses	20,097.66	20,318.17	18,172.96	63,783.91	1,71,370.29
3	Profit / (Loss) from Operations before Other Income, Finance cost and Exceptional Items (1-2)	277.38	763.48	(1,719.44)	3,306.07	4,002.31
4	Other Income	-	0.93	1.01	0.93	83.90
5	Profit / (Loss) from Ordinary activities before Finance cost and Exceptional Items (3+4)	277.38	764.41	(1,718.43)	3,307.00	4,086.21
6	Finance costs	7,613.55	7,574.73	7,456.44	22,288.80	53,700.87
7	Profit/(Loss) from Ordinary activities after Finance costs but before Exceptional Item (5+6)	(7,336.17)	(6,810.32)	(9,174.87)	(18,981.80)	(49,614.66)
8	Exceptional Item - Gain/(Loss)	(1,366.23)	(1,329.88)	(5,230.19)	(3,892.22)	(15,726.30)
9	Profit/(Loss) before Tax (9+10) from Ordinary activities before Tax (7+8)	(8,702.40)	(8,140.20)	(14,405.06)	(22,874.02)	(65,340.96)
10	Tax expense	700.00	(1,245.87)	(2,395.63)	(1,821.07)	(19,175.48)
11	Net Profit/(Loss) from Ordinary activities after Tax (9 ± 10)	(9,402.40)	(6,894.33)	(12,009.43)	(21,052.95)	(46,165.48)
12	Extra-ordinary Items - Gain/(Loss) (Net of Tax)	-	-	-	-	27,061.48
13	Net Profit/(Loss) for the period (11 ± 12)	(9,402.40)	(6,894.33)	(12,009.43)	(21,052.95)	(19,104.00)
14	Paid-up Equity Share Capital (Face value of Rs.10/- each)	8,896.43	8,526.19	8,526.19	8,896.43	8,526.19
15	Reserves excluding Revaluation Reserves	-	-	-	-	35,413.36
16	Earnings per share (EPS) before extra-ordinary items (of Rs.10 each)					
	- Basic Rs.*	(10.57)	(8.09)	(14.09)	(23.66)	(63.10)
	- Diluted Rs.*	(10.57)	(8.09)	(14.09)	(23.66)	(63.10)
17	Earnings per share (EPS) after extra-ordinary item (of Rs.10 each)					
	- Basic Rs.*	(10.57)	(8.09)	(14.09)	(23.66)	(26.11)
	- Diluted Rs.*	(10.57)	(8.09)	(14.09)	(23.66)	(26.11)
	* EPS for the period (not annualised) See accompanying note to the Financial Results					



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STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2015

Rs. lakhs

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 February 10, 2016 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 December 31, 2015 represents amortisation of exchange loss on restatement of Foreign currency loans amounting to Rs.1,366.23 Lakhs (Corresponding previous quarter Rs.1230.19 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 December 31, 2015 on account of exercising the above option is Rs.11,787.98 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 nine months is lower by Rs.2125.88 Lakhs. In accordance with the transition provision available under Schedule II, a sum of Rs.1681.81 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.305.29 Lakhs (Corresponding previous quarter Rs.840.73 Lakhs)
7	During the quarter, 37,02,450 equity shares of Rs.10/- each at a premium of Rs.39.79/- per share were allotted to the promoters in accordance with SEBI guidelines against the promoter contribution brought in by the promoters as per the conditions of CDR. These shares would be pledged in favour of the Lenders as per conditions of CDR Package upon receipt of the listing /trading approval from the Stock Exchanges where the shares are listed.
8	During the quarter, the operations at the Alathur API facility were affected on account of the heavy rains and flood occurred in the first week of December 2015. The operations were resumed in a phased manner and the Company is in the process of submitting Insurance claim for loss of materials, restoration of the operations and Loss of Profit.
9	During the quarter, the name of the Company has been changed from "Orchid Chemicals & Pharmaceuticals Ltd." to "Orchid Pharma Ltd." vide approval from the Registrar of Companies in October 2015.
10	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, non provision of amount due from marketing subsidiary and holdback money receivable. 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/capital goods in due course. During the 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. 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. In respect of holdback money claims, the company has been advised that the claims are not tenable.
11	Previous period figures have been regrouped wherever necessary.



For and on behalf of the Board

K. Raghavendra Rao
K. Raghavendra Rao
Managing Director

Place : Chennai
Date : February 10, 2016





SNB ASSOCIATES

CHARTERED ACCOUNTANTS

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

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF
ORCHID PHARMA LIMITED (PREVIOUSLY ORCHID CHEMICALS AND PHARMACEUTICALS LIMITED)
ON LIMITED REVIEW OF UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2015

We have reviewed the accompanying statement of unaudited financial results of **ORCHID PHARMA LIMITED (PREVIOUSLY ORCHID CHEMICALS AND PHARMACEUTICALS LIMITED)** ("the Company") for the quarter and nine months ended 31st December 2015. 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 December 31, 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.***



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- III. The Company debt restructuring process has been approved. The Company as at December, 31 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 holdback amount receivable from party under the BTA agreement is subject to confirmation and reconciliation due to claims raised by the purchaser. The amount of such claims made by the purchaser, disputed by the Company and hence not provided for is approximately Rs. 50 crores.**
- V. The company has an exposure of Rs.46.69 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 V) 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 recognized 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: February 10, 2016

Place: Chennai