

**Orchid Pharma Limited**

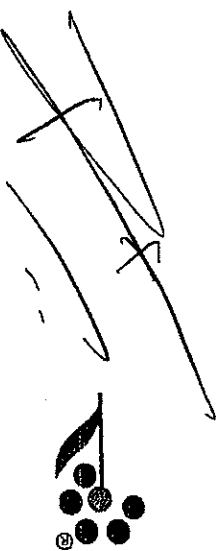
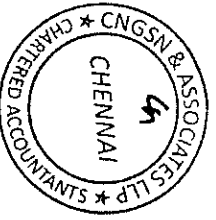
Regd. Office: 'Orchid Towers' #313, ValluvarKottam High Road, Nungambakkam, Chennai - 600034, Tamil Nadu, India  
Ph. +91 - 44 - 2821 1000 / 2823 0090 Fax: +91 - 44 - 2821 1002 Email: [corporate@orchidpharma.com](mailto:corporate@orchidpharma.com) Website: [www.orchidpharma.com](http://www.orchidpharma.com)

CIN : L24222TN1992PLC022994

Statement of Audited Consolidated and Standalone Financial Results for the quarter and year ended March 31, 2019 under Ind AS

(Rs in Lakhs)

S.No	Particulars	Standalone financial results				Consolidated financial results			
		For the quarter ended		For the year ended		For the year ended		For the year ended	
		March 31, 2019 (Audited)	December 31, 2018 (Unaudited)	March 31, 2018 (Audited)	March 31, 2019 (Audited)	March 31, 2018 (Audited)	March 31, 2019 (Audited)	March 31, 2018 (Audited)	March 31, 2018 (Audited)
	<b>Income from Operations</b>								
1	Net Sales / Income from operations	16,206.62	14,845.34	15,578.51	58,384.62	64,900.18	59,996.05	68,781.58	
2	Other Income (Net)	448.41	189.60	141.57	1,692.84	1,986.72	1,692.84	2,030.36	
3	<b>Total Income (1+2)</b>	<b>16,655.03</b>	<b>15,034.94</b>	<b>15,720.08</b>	<b>60,057.46</b>	<b>66,886.90</b>	<b>61,690.89</b>	<b>70,811.94</b>	
4	<b>Expenses</b>								
	Cost of materials consumed	6,997.42	7,062.77	7,306.26	25,743.48	32,710.36	26,283.92	34,142.93	
	Purchase of stock-in-trade - Traded goods	-	8.12	35.71	29.84	119.74	29.84	119.74	
	Changes in inventories of raw material, work-in-progress, stock-in-trade and finished goods	1,018.16	0.31	(445.80)	2,042.71	256.64	2,656.07	756.97	
	Employee benefit expenses	2,145.32	1,878.87	2,121.00	7,914.45	8,239.47	8,227.83	8,622.37	
	Finance costs	0.00	3.48	7,913.52	29.96	30,164.80	29.96	30,164.80	
	Depreciation and amortization expense	3,134.35	3,283.54	3,256.84	12,992.48	13,329.29	12,994.34	13,331.29	
	Excise Duty on Sales	-	-	-	-	483.25	-	483.25	
	Other expenses (Refer Note 5)	6,815.93	4,645.18	5,784.57	23,903.22	21,730.39	24,620.95	23,086.89	
	<b>Total Expenses</b>	<b>20,111.17</b>	<b>16,882.27</b>	<b>25,972.10</b>	<b>72,656.14</b>	<b>1,07,033.94</b>	<b>74,842.91</b>	<b>1,10,708.24</b>	
5	<b>Profit (loss) before exceptional items and tax (3-4)</b>	<b>(3,456.14)</b>	<b>(1,847.33)</b>	<b>(10,252.02)</b>	<b>(12,598.68)</b>	<b>(40,147.04)</b>	<b>(13,152.02)</b>	<b>(39,896.30)</b>	
6	Exceptional items (Refer Note 4)	2,111.63	-	-	2,493.55	-	20,092.81	-	
7	<b>Profit (loss) before tax (5+6)</b>	<b>(1,344.51)</b>	<b>(1,847.33)</b>	<b>(10,252.02)</b>	<b>(10,105.13)</b>	<b>(40,147.04)</b>	<b>6,940.79</b>	<b>(39,896.30)</b>	
8	<b>Tax expense</b>								
	Current tax	-	-	(1,014.74)	-	(4,619.44)	-	(4,619.44)	
	Deferred tax	-	-	(1,014.74)	-	(4,619.44)	-	(4,619.44)	
	<b>Total Tax Expenses</b>	<b>-</b>	<b>-</b>	<b>(1,014.74)</b>	<b>-</b>	<b>(4,619.44)</b>	<b>-</b>	<b>(4,619.44)</b>	
9	<b>Profit (loss) for the period from continuing operations (7-8)</b>	<b>(1,344.51)</b>	<b>(1,847.33)</b>	<b>(9,237.28)</b>	<b>(10,105.13)</b>	<b>(35,527.60)</b>	<b>6,940.79</b>	<b>(35,276.86)</b>	



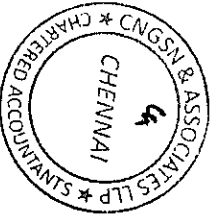
Orchid Pharma Limited  
Statement of Audited Consolidated and Standalone Financial Results for the quarter and year ended March 31, 2019 under Ind AS (contd..)

S.No	Particulars	Stand alone financial results						Consolidated financial results	
		For the quarter ended			For the year ended			For the year ended	
		March 31, 2019 (Audited)	December 31, 2018 (Unaudited)	March 31, 2018 (Audited)	March 31, 2019 (Audited)	March 31, 2018 (Audited)	March 31, 2019 (Audited)	March 31, 2018 (Audited)	
9	Profit/ (loss) for the period from continuing operations (7-8)	(1,344.51)	(1,847.33)	(9,237.28)	(10,105.13)	(35,527.60)	6,940.79	(35,276.86)	
10	Profit/ (Loss) from discontinued operations	-	-	-	-	-	-	-	
11	Tax expense of discontinued operations	-	-	-	-	-	-	-	
12	Profit/ (Loss) from discontinued operations (after tax) (10-11)	-	-	-	-	-	-	-	
13	Profit/ (Loss) for the period (9+12)	(1,344.51)	(1,847.33)	(9,237.28)	(10,105.13)	(35,527.60)	6,940.79	(35,276.86)	
14	Other comprehensive income, net of income tax								
	a) (i) items that will not be reclassified to profit or loss	28.73	20.22	192.64	90.39	74.22	90.39	74.22	
	(ii) income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-	
	b) (i) items that will be reclassified to profit or loss	-	-	-	-	-	-	-	
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-	
	Total other comprehensive income, net of income tax	28.73	20.22	192.64	90.39	74.22	90.39	74.22	
15	Total comprehensive income/ (loss) for the period (13+14)	(1,314.78)	(1,827.11)	(9,044.64)	(10,014.74)	(35,453.38)	7,031.18	(35,202.64)	
16	Paid-up equity share capital	8,896.43	8,896.43	8,896.43	8,896.43	8,896.43	8,896.43	8,896.43	
	Face value per share (RS)	10.00	10.00	10.00	10.00	10.00	10.00	10.00	
17	Earning per share (RS) (not annualised)	(1.51)	(2.08)	(10.38)	(11.36)	(39.93)	7.80	(39.65)	
	- Basic	(1.51)	(2.08)	(10.38)	(11.36)	(39.93)	7.80	(39.65)	
	- Diluted	(1.51)	(2.08)	(10.38)	(11.36)	(39.93)	7.80	(39.65)	

Notes:

1 The Hon'ble National Company Law Tribunal ("NCLT", Chennai Bench, admitted the Corporate Insolvency Resolution Process ("CIRP") application filed by an operational creditor of Orchid Pharma Limited ("the Company") and appointed an Interim Resolution Professional ("IRP"), in terms of the Insolvency and Bankruptcy Code, 2016 ("the Code") to manage the affairs of the Company vide CP.No. CP/ 540/ (IB) CB/ 2017 dated August 17, 2017. Subsequently, Mr. Rankumar Shisham Venkatasubramanian (IP Registration no. IBBIPA-00/IRP-P00015/2016-17/10039) has been appointed as the Resolution Professional ("RP") of the Company, by an order of NCLT with effect from October 27, 2017.

The Resolution Plan filed by the RP has been approved by NCLT vide its order dated September 17, 2018. However, the successful Resolution Applicant has not commenced implementation of the approved Resolution Plan. Consequently, the NCLT vide its order dated October 10, 2018 has approved the RP to discharge the functions of the Corporate Debtor as per the instructions of the Interim Monitoring Committee (IMC) until further orders. Subsequently, vide order dated February 28, 2019, the NCLT annulled the existing resolution plan and given additional CIRP period of 105 days. The NCLT also ordered that the RP and CoC will discharge their function as before during this extended CIRP period.



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These audited financial results for the quarter and year ended March 31, 2019 have been prepared by the management of the Company and certified by Mr. K Raghavendra Rao, MD and Mr. L Chandrasekar, CFO in accordance with Regulation 33(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, confirming that the financial statements do not contain any misleading or false statements. The audited financial results were placed before the RP, the MD and CFO cum Company Secretary on June 3, 2019 for their consideration. Accordingly the audited financial results were considered and recommended in the meeting. In view thereof, the RP, in reliance of such examination by and the representations, clarifications and explanations provided by MD and CFO in relation to these audited financial results, has approved the same. The RP has approved these audited financial results only to the limited extent of discharging the powers of the Board of Directors of the company which has been conferred upon him in terms of provisions of Section 17 of the Code. It is clarified however that the RP has not conducted an independent verification of these audited financial results and has not certified on the truthfulness, fairness, accuracy or completeness of these results, in so far as it pertains to the period prior to commencement of the CIRP (i.e. August 17, 2017) and his appointment.

In view of pendency of the CIRP, the further developments stated above and in view of suspension of the powers of board of directors, the powers of adoption of the audited financial results for the quarter and year ended March 31, 2019 vest with the RP under the Insolvency & Bankruptcy Code, 2016 (IBC).

- 2 Further to the aforesaid CIRP (more fully described in note 1 above), the Company is in the process of obtaining confirmation for receivables, loans and advances given, payables, employee claims and bank loans as at March 31, 2019. The Company's ability to meet the financial/ contractual obligations including repayment of various loans, unpaid interest and ability to fund various obligations pertaining to operations for ensuring/ commencing normal operations and further investments required towards ongoing research and development projects under progress is dependant on the resolution of the aforesaid matters as part of the CIRP.

Pending implementation of the Resolution Plan, the Company had reversed the interest provided after the CIRP period in the earlier years and also stopped accruing further interest in the current and previous quarters. As explained earlier, vide order dated February 28, 2019, the NCLT annulled the existing resolution plan and given additional CIRP period of 105 days. The NCLT also ordered that the RP and CoC will discharge their function as before during this extended CIRP period. The RP and CoC are taking necessary steps to identify alternative resolution plans.

Pending this and measures to be adopted as part of the resolution process, the above financial results have been continued to be prepared on a going concern basis.

This is a matter of qualification by the auditors.

- 3 The RP has received the claims from the creditors of the Company under the provisions of the Insolvency and Bankruptcy Code, 2016 and the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 (as amended). The status of these claims may be found at the following link: <http://www.orchidpharma.com/downloads-cirp.aspx>

- 4 Exceptional items presented in the Standalone financial statements for year ended March 31, 2019 amounting to Rs. 2,493.55 Lakhs represents net of:-

a) reversal of interest accrued and provided for the financial creditors post commencement of the Corporate Insolvency Process date, reversal of exchange rate fluctuation on capital advances and advances to suppliers and cash credit interest included in Outstanding liabilities, reduction in foreign currency loan liability on conversion to rupee loan by the banks and b) provisions considered for investments in subsidiaries and loans given to subsidiaries.

Exceptional items presented in the consolidated financial statements for year ended March 31, 2019 amounting to Rs. 20,092.81 Lakhs represents net of: reversal of interest accrued and provided for the financial creditors post commencement of the Corporate Insolvency Process date, reversal of exchange rate fluctuation on capital advances and advances to suppliers and cash credit interest included in Outstanding liabilities, reduction in foreign currency loan liability on conversion to rupee loan by the banks.

- 5 The Other expenses includes loss of INR 6742.08 Lakhs on account of forex loss for twelve months ended March 31, 2019 (twelve months ended March 31, 2018 - INR 1,950.46 Lakhs). This includes loss of INR 6060.80 Lakhs (twelve months ended March 31, 2018 - INR 2638.52 Lakhs) on account of ECB loan and Loss of INR 681.28 Lakhs (twelve months ended March 31, 2018 Gain of - INR 688.16 Lakhs) on account of operations.



6 The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

7 The value of claims lodged by the Financial Creditors includes Foreign Currency Term Loan availed by the Company from consortium of Banks led by Axis Bank, admitted under CIRP commencement date amounting to INR Rs.51,672.27 Lakhs and the same is carried in the Balance sheet at a value of Rs.56,044.14 Lakhs, arrived at by restating the Foreign currency value of the loan to the extent admitted with the closing exchange rate as on March 31, 2019. If this loan is stated at the INR value as admitted under CIRP there will be a net gain of Rs.3133.73 Lakhs after settling off the Foreign Currency Monitor Item Translation Difference carried under "other equity" in respect of this loan.

8 With the introduction of GST, no excise duty is payable by the Company from July 1, 2017. Accordingly, the income from operations are presented on a gross basis only for the twelve months ended March 31, 2018 and the excise duty expenses for the same period was presented as a separate line item in the expenditure side, as required by Schedule III applicable to Ind AS Companies. Accordingly, the gross income from operations for the twelve months ended March 31, 2019 is not comparable with that of the previous period presented in the above results.

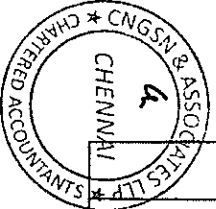
9 The format for audited quarterly results as prescribed in SEBI's Circular CIR/CFD/CMD/15/2015 dated November 30, 2015 has been modified to comply with the requirements of SEBI's circular dated July 5, 2016, Ind AS and Schedule III (Part II) to the Companies Act, 2013, which are applicable to companies that are required to comply with Ind AS.

10 The operations of the Company falls under a single primary segment i.e., "Pharmaceuticals" in accordance with Ind AS 108 "Operating Segments" and hence no segment reporting is applicable.

10 Statement of assets and liabilities

Particulars	Standalone		Consolidated	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment	1,14,050.79	1,26,821.65	1,14,059.57	1,26,831.80
Intangible assets	2,084.18	2,306.10	11,586.51	11,788.46
Capital work in progress	26,384.64	25,721.90	26,384.64	25,721.90
Intangible assets under development	1,431.00	1,431.00	1,431.00	1,431.00
<b>Financial Assets</b>				
Investments	47.21	12,476.97	47.21	107.07
Other financial assets	1,694.32	7,197.07	1,694.32	1,973.14
Other non-current assets	82,267.35	76,042.18	82,754.49	76,789.11
	2,27,959.49	2,51,996.87	2,37,937.84	2,44,542.48
<b>Current assets</b>				
Inventories	16,714.14	18,494.39	16,977.21	19,373.82
<b>Financial Assets</b>				
Trade receivables	14,072.78	14,505.50	11,989.09	11,951.29
Cash and cash equivalents	9,096.54	3,060.20	9,231.09	3,511.30
Bank balances other than above	23,320.79	27,043.95	23,320.79	27,043.95
Loans				
Other financial assets	311.15	233.42	311.15	233.42
Other current assets	7,853.44	5,741.14	7,936.33	5,780.88
	71,365.64	69,079.60	69,765.66	67,894.46
	2,99,325.33	3,21,076.47	3,07,703.50	3,12,536.94
<b>Total - Assets</b>				

(Rs in lakhs)



Orchid Pharma Limited  
Statement of Audited Consolidated and Standalone Financial Results for the quarter and year ended March 31, 2019 under Ind AS (contd.,)

Particulars	Standalone		Consolidated		(Rs in lakhs)
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018	
<b>Equity and Liabilities</b>					
<b>Equity</b>					
Equity share capital	8,896.43	8,896.43	8,896.43	8,896.43	
Other Equity	(84,395.49)	(76,309.89)	(79,300.18)	(88,072.42)	
	(75,499.06)	(67,413.46)	(70,403.75)	(79,175.99)	
<b>Non current liabilities</b>					
Financial Liabilities					
Borrowings	1,42,460.71	1,89,390.71	1,42,460.71	1,89,390.71	
Provisions	989.39	748.35	989.39	748.35	
Deferred tax liabilities (Net)	322.62	322.62	322.62	322.62	
	1,43,772.72	1,90,461.68	1,43,772.72	1,90,461.68	
<b>Current Liabilities</b>					
Financial Liabilities					
Borrowings	69,549.00	69,429.48	69,549.00	69,429.48	
Trade payables	26,992.83	32,885.45	30,244.59	35,879.34	
Other current liabilities	1,34,366.35	95,810.41	1,34,397.35	95,839.52	
Provisions	143.49	102.91	143.49	102.91	
	2,31,051.67	1,98,028.25	2,34,334.53	2,01,251.25	
<b>Total - Equity and Liabilities</b>	<b>2,99,325.33</b>	<b>3,21,076.47</b>	<b>3,07,703.50</b>	<b>3,12,536.94</b>	

L. Chandrasekar  
Chief Financial Officer & Company Secretary

K Raghavendra Rao  
Managing Director  
DIN : 00010096

Place: Chennai  
Date : June 3, 2019

Taken on record  
Ramkumar Sripatham Venkatasubramanian  
Resolution Professional  
IP Registration no. (BB)/IPA-00/11P-P00015/2016-17/10039

*Initialed for Identification purposes*

