

## Annexure V to the Directors' Report

# Corporate Governance Report

### 1. Company's Philosophy on Code of Corporate Governance

At Orchid, we are committed to practicing good Corporate Governance norms. Orchid firmly believes in adhering to Corporate Governance code to ensure protection of its investor's interest as well as healthy growth of the Company. The Company has been complying with Corporate Governance norms right from its inception. We endeavor to enhance the long term stake holding value of our investors. The Company complies with the Corporate Governance Code as per in Clause 49 of the Listing agreement.

### 2. Board of Directors

#### • Composition of Board

The Chairman of the Board of Directors is a Non-Executive, Independent Director. During the Year the Board had optimum combination of Executive and Non-Executive Directors. None of the directors are related to each other. There were changes in the Composition of Board during the period which are provided below

The composition of Board and the details of the Directors with regard to directorships in other Companies and Committee positions during 18 (Eighteen) months ended March 31, 2015 are as follows:

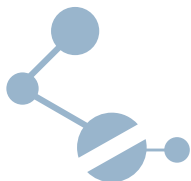
S. No.	Name(s) of the Director(s)	Category	Number of Directorships held in other companies <sup>@</sup>	Number of Board Committee positions in other companies held as *	
				Member	Chairman
1	Shri K N Venkatasubramanian	Non-Executive, Independent	5	3	2
2	Shri K Raghavendra Rao	Promoter & Executive Director	1	None	None
3	Shri S Krishnan	Non-Executive, Non-Independent	1	None	None
4	Shri Sundaram Yuvaraj <sup>^</sup>	Non-Executive, Independent	2	1	None
5	Shri K Biju George <sup>+</sup>	Non-Executive, Non-Independent (Nominee of IDBI Bank Ltd)	None	None	None
6	Shri T A Ganesh <sup>+</sup>	Non-Executive, Non-Independent (Nominee of IDBI Bank Ltd)	None	None	None
7	Shri Nagaraj Garla <sup>+</sup>	Non-Executive, Non-Independent (Nominee of IDBI Bank Ltd)	1	None	None
8	Smt Soundara Kumar	Non-Executive, Independent (Nominee of SBI)	6	4	1

<sup>@</sup> Excludes foreign companies, private limited companies, Section 25 Companies and alternate directorships.

<sup>\*</sup> Includes only membership/Chairmanship in Audit and Stakeholder's Grievance Committee across all public limited companies.

<sup>+</sup> Industrial Development Bank of India Limited (IDBI) withdrew the nomination of Shri Biju George and appointed Shri T A Ganesh, as its nominee on the board with effect from March 21, 2014 and again withdrew the nomination of Shri T A Ganesh and appointed Shri Nagaraj Garla as its nominee on the board with effect from November 13, 2014.

<sup>^</sup> Vacated office under Section 167 of the Companies Act, 2013, with effect from May 28, 2015



#### • Board Meetings & Attendance Record of the Directors

The Board meets at least once in a quarter to review the quarterly financial results and operations of your Company. It also meets as and when necessary to address specific issues relating to the business of your Company. During the 18 (Eighteen) months ended March 31, 2015, the Board met 11 (Eleven) times on November 29, 2013, January 30, 2014, February 11, 2014, March 14, 2014, March 31, 2014, May 12, 2014, July 14, 2014, August 14, 2014, November 13, 2014, February 13, 2015 and March 30, 2015. The attendance records of all the Directors are as under:

Name(s) of the Director(s)	Number of Board Meetings Attended	Last AGM Attendance
Shri K N Venkatasubramanian	7	@
Shri K Raghavendra Rao	11	Present
Shri S Krishnan	11	Present
Shri Sundaram Yuvaraj	2	Not Present
Shri K Biju George	4	Not Present
Shri T A Ganesh / Shri Nagaraj Garla	7*	@
Smt Soundara Kumar	1	@

@ Not a member of the Board on the date of AGM.

\* At the request of IDBI, Shri T A Ganesh attended the meeting held on February 13, 2015 on behalf of Shri Nagaraj Garla

#### • Code of Conduct

The Board of Directors has laid down a Code of Conduct ("the Code") for all Board members and senior management personnel of your Company. The Code is posted on your Company's website [www.orchidpharma.com](http://www.orchidpharma.com). All Board members and senior management personnel have confirmed compliance with the Code. A declaration signed by the Managing Director is attached and forms part of this Report.

### 3. Audit Committee

In accordance with the provisions of Section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Company has constituted an Audit Committee consisting of three directors with Independent Directors forming a majority. All the members of the committee are financially literate with ability to read and understand the financial statements.

The terms of reference of the Audit Committee include:

#### a. Review of :

- Financial statements before submission to the Board.

- Draft financial statements and Auditors' Report (before submission to the Board).
- Accounting policies and practices.
- Risk management policies and practices.
- Compliance with stock exchange and legal requirements concerning financial statements.
- Related party transactions.
- Internal control systems and internal audit reports and their compliance thereof.
- Compliance with accounting standards and

#### b. Recommending the appointment of Auditors and fixing their fee.

The Audit Committee met 6 (Six) times during 18 (Eighteen) months ended March 31, 2015, on November 29, 2013, February 11, 2014, May 12, 2014, August 14, 2014, November 13, 2014 and February 13, 2015.

The composition of the Committee and the attendance of each member of the Committee at the meetings are given below:

Name(s) of the Director(s)	Category	Number of Meetings Attended
Shri K N Venkatasubramanian <sup>1</sup>	Non-Executive, Independent	4
Shri S Krishnan	Non-Executive, Non-Independent	6
Shri K Biju George / Shri T A Ganesh / Shri Nagaraj Garla	Non-Executive, Non-Independent (Nominee of IDBI Bank Ltd)	6*
Shri Sundaram Yuvaraj	Non-Executive, Independent	2

1. Appointed as member of the Committee with effect from May 12, 2014.

\* At the request of IDBI, Shri T A Ganesh attended the meeting held on February 13, 2015 on behalf of Shri Nagaraj Garla.

The Company Secretary is the Secretary of the Audit Committee.

### 4. Nomination and Remuneration Committee (Formerly known as Remuneration Committee)

The Company had a Remuneration Committee; however as per the new Companies Act, 2013, the Committee has been renamed as "Nomination and Remuneration Committee". Nomination and Remuneration Committee determines and recommends the remuneration payable to the Executive Directors/Whole Time

Directors on the basis of their performance as well as Company's performance, subject to consents as may be required. The remuneration to the Executive Directors consists of a fixed salary and other perquisites. Wherever applicable the perquisites are considered as a part of remuneration and taxed as per the Income Tax laws.

The Non-Executive Directors are not paid any remuneration except sitting fees for attending the Board Meetings /Committee Meetings. The Nomination and Remuneration Committee deals with all elements of remuneration package, stock options, service contracts, etc. of all Executive Directors/Whole-Time Directors.

The Nomination and Remuneration Committee met 2 (two) times on May 12, 2014 and March 30, 2015 during 18 (Eighteen) months ended March 31, 2015.

The composition of the Committee and the attendance of each

member of the Committee at the meetings are given below:

Name(s) of the Director(s)	Category	Number of Meetings Attended
Shri K N Venkatasubramanian*	Non-Executive, Independent	2
Shri S Krishnan	Non-Executive, Non-Independent	2
Shri Sundaram Yuvaraj	Non-Executive, Independent	Nil
Shri K Biju George / Shri T A Ganesh/ Shri Nagaraj Garla*	Non-Executive, Non-Independent (Nominee of IDBI Bank Ltd)	2

\* Appointed as member of the Committee with effect from May 12, 2014.

Details of remuneration paid to Directors for the year 2013-15 are given below:

Name(s) of the Director(s)	Remuneration paid during the year 2013-15 (₹ in Lakhs)				No. of Stock Options
	Salary	Commission/ bonus	Sitting fees	Total	
Shri K Raghavendra Rao	225.23	-	-	225.23	-
Shri K N Venkatasubramanian	-	-	2.20	2.20	-
Shri S Krishnan	-	-	4.20	4.20	-
Shri K Biju George	-	-	1.00	1.00*	-
Shri T A Ganesh	-	-	1.20	1.20*	-
Shri Nagaraj Garla	-	-	1.00	1.00*	-
Shri Sundaram Yuvaraj	-	-	0.80	0.80	-
Smt Soundara Kumar	-	-	0.20	0.20	-

\* Sitting fees of ₹3.20 Lakhs paid directly to IDBI Limited.

The shares held by directors as on March 31, 2015 are given below:

Name(s) of the Director(s)	Number of Shares
Shri K Raghavendra Rao	69,25,173
Shri K N Venkatasubramanian	1,000
Shri S Krishnan	9,200
Shri Sundaram Yuvaraj	Nil
Shri Nagaraj Garla	Nil
Smt Soundara Kumar	Nil

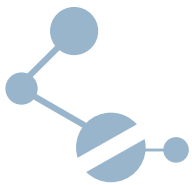
## 5. Compensation Committee

Pursuant to the SEBI (Employee Stock Option Scheme and Employee

Stock Purchase Scheme) Guidelines 1999, a Compensation Committee was constituted in the year 1999. The purpose of this committee is to grant options to employee. The Committee comprises of Shri K Raghavendra Rao and Shri Nagaraj Garla. The committee has not met during the year 2013-15.

## 6. Allotment Committee

The committee considers allotment of equity shares whenever the need arises. The Committee comprises of Shri K Raghavendra Rao and Shri S Krishnan. The Committee has met on December 22, 2014 during 18 (Eighteen) months ended March 31, 2015, to discuss and consider the allotment of 1,48,09,801 equity shares under



CDR Scheme to the Promoter Group Company, Orchid Healthcare Private Limited.

## 7. Stakeholders Relationship Committee ( Formerly known as Investor Grievance Committee)

The Company had constituted a Investors Grievance Committee; however as per the new Companies Act, 2013, the Committee has been renamed as "Stakeholders Relationship Committee". The Stakeholders Relationship Committee of Directors looks into the redressal of complaints of investors such as share transfers or credit of shares, non-receipt of dividend/notices/annual reports, etc. The Stakeholders Relationship Committee met 6 (Six) times during 18 (Eighteen) months ended March 31, 2015, on November 29, 2013, February 11, 2014, May 12, 2014, August 14, 2014, November 13, 2014 and February 13, 2015 to consider the transfers in the physical segment.

Name(s) of the Director(s)	Category	Number of meetings Attended
Shri K Raghavendra Rao	Promoter & Executive Director	6
Shri S Krishnan	Non-Executive, Non-Independent	6

The Board has designated Shri L Chandrasekar, Company Secretary as the Compliance Officer.

The following table shows the nature of complaints received from shareholders during 2012 - 2013 and 2013 - 2015, all of which have been responded within one month.

S. No	Nature of complaints	Received and Resolved	
		2013 - 2015	2012-2013
1.	Non-receipt of share certificates sent for transfer/ bonus shares	2	2
2.	Non-receipt of dividend warrants	4	43
3.	Complaints from SEBI, Stock exchanges and Government departments	1	4
TOTAL		7	49

## 8. Corporate Social Responsibility Committee

As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The Committee met on November 13, 2014, during 18 (Eighteen) months ended March 31, 2015. A complete report on various initiatives and programmes undertaken by your Company in CSR areas are provided in the Director's Report.

The composition of the CSR Committee and the attendance of each member of the Committee to the meeting are given below:

Name(s) of the Director(s)	Category	Number of Meetings Attended
Shri K N Venkatasubramanian	Non-Executive, Independent	1
Shri S Krishnan	Non-Executive, Non-Independent	1
Shri Nagaraj Garla	Non-Executive, Non-Independent (Nominee of IDBI Bank)	1

## 9. Details of Annual/Extraordinary General Meetings and Location and Time of the General Meetings held in the past three (3) years

All the resolutions including the special resolutions set out in the respective notices were passed by the shareholders unanimously.

Year	AGM / EGM	Location	Special resolutions passed	Date	Time
2013	AGM	Sathguru Gnanananda Hall, Narada Gana Sabha, 314, TTK Road, Alwarpet Chennai-600018.	NIL	March 19, 2014	10.30 AM
2012	AGM	Sathguru Gnanananda Hall, Narada Gana Sabha, 314, TTK Road, Alwarpet, Chennai-600018.	a) Re-appointment of Chairman & Managing Director	September 20, 2012	10.30 AM
2011	AGM	The Music Academy Old No. 306, New No.168 TTK Road, Chennai – 600 014	a) Orchid-ESOP Senior Management 2011 Scheme. b) Orchid-ESOP Director 2011 Scheme. c) Alteration of Articles of Association of the Company.	July 29, 2011	10.00 AM

None of the resolutions passed at the above meetings were required to be passed through postal ballot.

### Postal Ballot

The Company has conducted a postal ballot during the 18 (Eighteen) months ended March 31, 2015 pursuant to Section 110 of the Companies Act, 2013. The Postal Ballot was conducted by Shri S Dhanapal, Practicing Company Secretary who was appointed by the Board of Directors as the Scrutiniser.

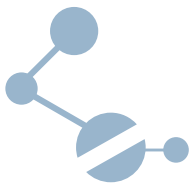
**Postal Ballot Notice dated July 14, 2014 contained the following resolutions:**

#### Resolution No. 1 - To amend Main Objects of the Memorandum of Association

	No. of Shares			No. of Members		
	E-voting (Electronic)	Physical Ballot Forms	Total	E-voting (Electronic)	Physical Ballot Forms	Total
Total votes cast	10519914	25830064	36349978	269	853	1122
Less: Invalid votes	0	14940	14940	0	39	39
Net Valid votes cast	10519914	25815124	36335038	269	814	1083
Votes cast in favour	10502062	25810506	36312568	243	784	1027
Votes Cast against	17852	4618	22470	26	30	56

% of total votes cast in favour of the resolution: 99.94%

% of total votes cast against the resolution: 0.06%



#### Resolution No. 2 - Deletion of the other objects clause of the Memorandum of Association

	No. of Shares			No. of Members		
	E-voting (Electronic)	Physical Ballot Forms	Total	E-voting (Electronic)	Physical Ballot Forms	Total
Total votes cast	10519568	25830815	36350383	266	853	1119
Less: Invalid votes	0	27329	27329	0	72	72
Net Valid votes cast	10519568	25803486	36323054	266	781	1047
Votes cast in favour	10502053	25797952	36300005	240	743	983
Votes Cast against	17515	5534	23049	26	38	64

% of total votes cast in favour of the resolution: 99.94%

% of total votes cast against the resolution: 0.06 %

#### Resolution No. 3 – Amendment of the liability clause of Memorandum of Association

	No. of Shares			No. of Members		
	E-voting (Electronic)	Physical Ballot Forms	Total	E-voting (Electronic)	Physical Ballot Forms	Total
Total votes cast	10510613	25830837	36341450	264	853	1117
Less: Invalid votes	0	27385	27385	0	74	74
Net Valid votes cast	10510613	25803452	36314065	264	779	1043
Votes cast in favour	10499438	25797782	36297220	236	741	977
Votes Cast against	11175	5670	16845	28	38	66

% of total votes cast in favour of the resolution: 99.95 %

% of total votes cast against the resolution: 0.05%

#### Resolution No. 4 – Amendment of Incidental or Ancillary Objects clause of the Memorandum of Association

	No. of Shares			No. of Members		
	E-voting (Electronic)	Physical Ballot Forms	Total	E-voting (Electronic)	Physical Ballot Forms	Total
Total votes cast	10517979	25830795	36348774	264	853	1117
Less: Invalid votes	0	27372	27372	0	74	74
Net Valid votes cast	10517979	25803423	36321402	264	779	1043
Votes cast in favour	10499248	25797895	36297143	237	740	977
Votes Cast against	18731	5528	24259	27	39	66

% of total votes cast in favour of the resolution: 99.93%

% of total votes cast against the resolution: 0.07%

#### Resolution No. 5 – Adoption of New set of Articles

	No. of Shares			No. of Members		
	E-voting (Electronic)	Physical Ballot Forms	Total	E-voting (Electronic)	Physical Ballot Forms	Total
Total votes cast	10519584	25830900	36350484	265	853	1118
Less: Invalid votes	0	27503	27503	0	75	75
Net Valid votes cast	10519584	25803397	36322981	265	778	1043
Votes cast in favour	10498307	25797418	36295725	241	738	979
Votes Cast against	21277	5979	27256	24	40	64

% of total votes cast in favour of the resolution: 99.92%

% of total votes cast against the resolution: 0.08%

#### Resolution No. 6 – Borrowing Powers of the Company

	No. of Shares			No. of Members		
	E-voting (Electronic)	Physical Ballot Forms	Total	E-voting (Electronic)	Physical Ballot Forms	Total
Total votes cast	10520099	25829905	36350004	266	853	1119
Less: Invalid votes	0	27453	27453	0	74	74
Net Valid votes cast	10520099	25802452	36322551	266	779	1045
Votes cast in favour	10496584	25794683	36291267	229	731	960
Votes Cast against	23515	7769	31284	37	48	85

% of total votes cast in favour of the resolution: 99.91%

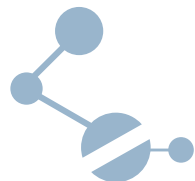
% of total votes cast against the resolution: 0.09%

#### Resolution No. 7 – Mortgaging/Charging of the Properties of the Company

	No. of Shares			No. of Members		
	E-voting (Electronic)	Physical Ballot Forms	Total	E-voting (Electronic)	Physical Ballot Forms	Total
Total votes cast	10520099	25830160	36350259	266	853	1119
Less: Invalid votes	0	27503	27503	0	75	75
Net Valid votes cast	10520099	25802657	36322756	266	778	1044
Votes cast in favour	10490583	25792532	36283115	220	712	932
Votes Cast against	29516	10125	39641	46	66	112

% of total votes cast in favour of the resolution: 99.89%

% of total votes cast against the resolution: 0.11%



## Resolution No. 8 – Issue of Shares on Preferential basis to promoters

	No. of Shares			No. of Members		
	E-voting (Electronic)	Physical Ballot Forms	Total	E-voting (Electronic)	Physical Ballot Forms	Total
Total votes cast	10870551	25836702	36707253	272	853	1125
Less: Invalid votes	0	27376	27376	0	75	75
Net Valid votes cast	10870551	25809326	36679877	272	778	1050
Votes cast in favour	10492650	25795503	36288153	228	712	940
Votes Cast against	377901	13823	391724	44	66	110

% of total votes cast in favour of the resolution: 98.93%

% of total votes cast against the resolution: 1.07%

## 10. Disclosures

- No transaction of material nature conflicting with the Company's interest was entered into by the Company with related parties i.e. Company's subsidiaries, Directors or management or their relatives.
- Transactions with the related parties are disclosed in Note No. 32 to the financial statements in the Annual Report.
- There were no instances of non-compliance by the Company on matter related to capital markets during the preceding three years. There were no penalties, strictures imposed by SEBI / Stock Exchanges or any other statutory authorities against the Company.
- The Company has framed the whistle blower policy. No employee has been denied access to approach the Audit Committee to report any serious concerns.
- No differential treatment from the Accounting Standards was followed in preparation of the financial statements of the Company.

- The Company has complied with all mandatory requirements of Clause 49 of the Listing Agreement.

## 11. Means of Communication

- Financial Results are published by the Company in Financial Express and Makkal Kural.
- Results are also displayed in URL [www.orchidpharma.com](http://www.orchidpharma.com). Official news releases are also updated in the site.
- The Company has an internet portal to communicate with its employees.
- Key developments are communicated to the Stock Exchanges and media as and when they occur.

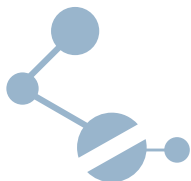
## 12. Management Discussion & Analysis (MD&A) Report

The MD&A Report is appended to this Report. All matters pertaining to industry structure, developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.



### 13. General Shareholders Information

1	Registered Office	'Orchid Towers', 313, Valluvar Kottam High Road, Nungambakkam, Chennai - 600 034, Tamil Nadu, India.
2	Date, time and venue of 22nd Annual General Meeting (AGM)	Tuesday, September 15, 2015, 10.30 A M at Kamaraj Memorial Hall, TNCC Charitable Trust, New No. 492, Annasalai, Teynampet West, Chennai - 600 006.
3	Dates of book closure	September 11, 2015 to September 15, 2015 (both days inclusive)
4	Financial Calendar	
	Financial reporting for	
	Quarter ending June 30, 2015	Second week of August 2015
	Quarter ending September 30, 2015	Second week of November 2015
	Quarter ending December 31, 2015	Second week of February 2016
	Quarter ending March 31, 2016	Last week of May 2016
5	The equity shares of ₹10/- each are listed at	<p><b>National Stock Exchange of India Limited</b>  "Exchange Plaza", Plot No. C/1, G Block  Bandra-Kurla Complex, Bandra (East),  Mumbai - 400 051, Maharashtra, India  Tel : 91-22-26598100, Fax : 91-22-26598120</p> <p><b>Bombay Stock Exchange Limited</b>  Phiroze Jeejeebhoy Towers, Dalal Street  Mumbai - 400 001, Maharashtra, India  Tel : 91-22-22721233, Fax : 91-22-22721919</p>
6	Global Depository Receipts Global Depository Receipts (GDRs) are listed at	<p><b>Luxembourg Stock Exchange</b>  Bourse de Luxembourg  BP 165, L-2011 Luxembourg  Tel : +352 47 79 361; Telefax: +352 47 32 98</p> <p><b>London Stock Exchange</b>  Registered Office: 10, Paternoster Square, London EC4M 7LS</p>
7	Listing Fees	Listing Fees have been paid for all the above Stock Exchanges for the year 2014-2015 and 2015-2016

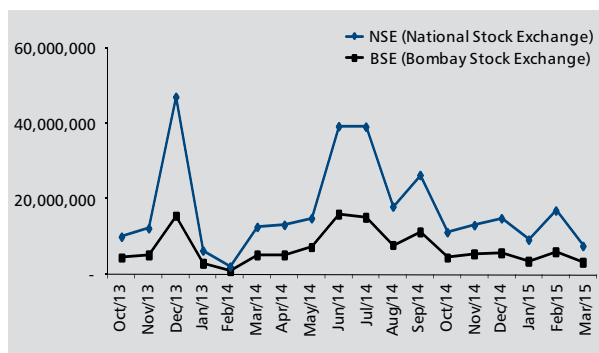


## Stock Market data

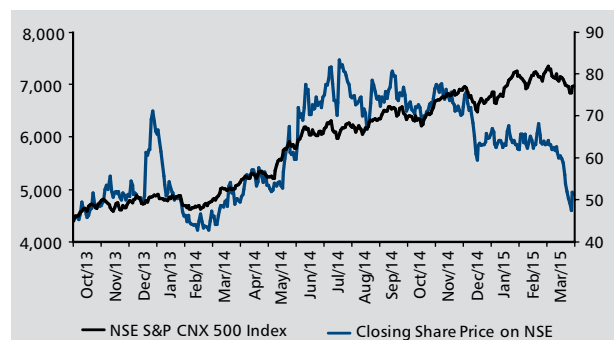
a) Monthly high and low quotations along with the volume of shares traded at NSE and BSE for 2013-2015 are:

Month	NSE			NSE S&P CNX 500 INDEX (Avg)	BSE			BSE 500 INDEX (Avg)
	High (₹)	Low (₹)	Volume of Shares (Nos)		High (₹)	Low (₹)	Volume of Shares (Nos)	
Oct-13	54.00	45.15	9,929,548	4,645	53.95	44.75	4,441,615	7,410.49
Nov-13	57.70	48.85	12,176,059	4,720	57.80	49.05	5,084,838	7,527.47
Dec-13	73.20	43.30	47,101,187	4,835	73.15	49.00	15,522,749	7,700.99
Jan-14	69.35	44.15	6,253,430	4,829	69.30	44.60	2,859,534	7,693.86
Feb-14	48.95	42.20	1,978,478	4,720	48.00	42.25	863,453	7,515.59
Mar-14	57.90	44.00	12,528,049	5,036	57.80	44.30	5,119,047	7,999.46
Apr-14	59.50	51.05	13,082,907	5,292	59.40	51.20	5,033,618	8,402.56
May-14	70.60	51.75	14,839,492	5,610	70.65	52.10	7,209,889	8,902.12
Jun-14	81.75	60.00	39,286,180	6,083	81.60	60.10	16,016,303	9,650.29
Jul-14	85.45	68.60	39,167,530	6,188	85.35	68.85	15,214,110	9,817.13
Aug-14	81.95	66.30	17,943,791	6,243	82.00	66.20	7,697,441	9,906.53
Sep-14	84.60	70.05	26,327,006	6,492	84.65	70.15	11,267,362	10,301.43
Oct-14	78.70	68.30	11,134,543	6,403	78.70	68.25	4,413,037	10,153.68
Nov-14	79.65	69.60	13,000,454	6,796	79.70	69.65	5,335,523	10,766.48
Dec-14	78.80	56.15	14,813,179	6,748	78.80	56.90	5,679,166	10,689.00
Jan-15	70.70	62.00	9,137,947	6,953	70.65	61.50	3,356,263	11,003.08
Feb-15	71.45	61.80	16,883,958	7,127	71.40	61.95	5,929,754	11,278.96
Mar-15	65.40	47.50	7,469,823	7,098	65.40	47.55	3,105,923	11,244.86
<b>Total</b>			<b>313,053,561</b>				<b>124,149,625</b>	

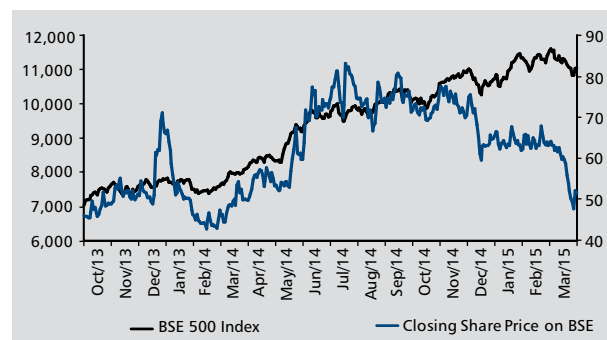
b) Graphical representation of Volume of Shares traded of Orchid during October 2013 - March 2015



c) Comparison of broad based indices with share price of Orchid



d) Comparison - BSE Index vs Share Price of Orchid

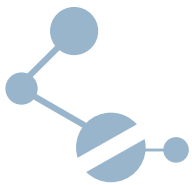


## Stock Exchange Security Code and other related information

Bombay Stock Exchange Limited	524372
National Stock Exchange of India Limited	ORCHIDCHEM
Depository ISIN No.	INE191A01019
Corporate Identification Number (CIN)	L24222TN1992PLC022994

## Equity History of the Company Since Incorporation of the Company upto March 31, 2015

Date	Particulars	Number of Shares	
		Issued	Cumulative
13-Jul-92	Subscribers to Memorandum	70	70
26-Nov-92	Issued to Promoters on Private Placement basis	249,930	250,000
27-Feb-93	Issued on Private Placement basis	1,451,800	1,701,800
4-Nov-93	Issued on Private Placement basis	1,798,200	3,500,000
8-Nov-93	Public Issue	2,500,000	6,000,000
18-Jul-94	Issued on Private Placement basis	1,200,000	7,200,000
1-Nov-94	Issued to Foreign Institutional Investors on Private Placement basis	250,000	7,450,000
3-Nov-94	Issued on Private Placement basis	1,223,000	8,673,000
21-Apr-95	Rights Issue (1:1)	8,673,000	17,346,000
9-Dec-99	Issued to Foreign Companies on Private Placement basis	10,653,192	27,999,192
21-Nov-02	Allotment pursuant to conversion of FCCBs	4,382,727	32,381,919
1-Mar-05	Allotment pursuant to conversion of warrants	1,750,000	34,131,919
27-Apr-05	Allotment pursuant to exercise of ESOS	11,800	34,143,719
2-Aug-05	Allotment pursuant to exercise of ESOS	59,485	34,203,204
2-Aug-05	Allotment pursuant to conversion of warrants	180,000	34,383,204
31-Aug-05	Allotment pursuant to exercise of ESOS	300,676	34,683,880
31-Aug-05	Allotment pursuant to conversion of warrants	70,000	34,753,880
21-Sep-05	Bonus Issue (1:2)	17,376,940	52,130,820
13-Oct-05	Allotment pursuant to conversion of warrants	105,000	52,235,820
2-Nov-05	Allotment pursuant to conversion of GDRs	9,250,000	61,485,820
23-Dec-05	Allotment pursuant to exercise of ESOS	19,649	61,505,469
1-Mar-06	Allotment pursuant to conversion of FCCBs	184,330	61,689,799
7-Mar-06	Allotment pursuant to conversion of FCCBs	460,827	62,150,626
20-Mar-06	Allotment pursuant to conversion of FCCBs	1,751,146	63,901,772
20-Mar-06	Allotment pursuant to conversion of warrants	50,000	63,951,772
31-Mar-06	Allotment pursuant to conversion of FCCBs	652,531	64,604,303
31-Mar-06	Allotment pursuant to conversion of FCCBs	13,879	64,618,182
18-Apr-06	Allotment pursuant to conversion of FCCBs	414,744	65,032,926
28-Apr-06	Allotment pursuant to conversion of FCCBs	737,325	65,770,251
28-Apr-06	Allotment pursuant to exercise of ESOS	3,475	65,773,726
31-May-06	Allotment pursuant to conversion of warrants	35,000	65,808,726
31-May-06	Allotment pursuant to exercise of ESOS	3,015	65,811,741
19-Oct-06	Allotment pursuant to exercise of ESOS	4,000	65,815,741



Date	Particulars	Number of Shares	
		Issued	Cumulative
19-Jan-07	Allotment pursuant to exercise of ESOS	550	65,816,291
3-May-07	Allotment pursuant to exercise of ESOS	6,085	65,822,376
17-Jul-07	Allotment pursuant to exercise of ESOS	5,650	65,828,026
18-Oct-07	Allotment pursuant to exercise of ESOS	6,000	65,834,026
20-Dec-07	Allotment pursuant to exercise of ESOS	3,000	65,837,026
17-Jan-08	Allotment pursuant to exercise of ESOS	13,750	65,850,776
26-Apr-08	Allotment pursuant to exercise of ESOS	9,425	65,860,201
29-May-08	Allotment pursuant to exercise of ESOS	16,375	65,876,576
13-Aug-08	Allotment pursuant to conversion of warrants	381,000	66,257,576
13-Aug-08	Allotment pursuant to exercise of ESOS	4,000	66,261,576
29-Aug-08	Allotment pursuant to conversion of warrants	4,179,000	70,440,576
29-Aug-08	Allotment pursuant to exercise of ESOS	1,500	70,442,076
17-May-12	Allotment pursuant to exercise of ESOS	10,000	70,452,076
22-Dec-14	Allotment pursuant to Preferential Allotment to Promoters	14,809,801	85,261,877
	<b>Total</b>	<b>85,261,877</b>	

### Distribution of Shareholding as on

No of equity shares held	March 31, 2015			September 30, 2013		
	No of shares	No of Shareholders	% of Shareholders	No of shares	No of Shareholders	% of Shareholders
1-500	9,259,606	73,724	88.86	9,151,645	78,828	90.81
501-1000	4,115,575	5,103	6.15	3,474,303	4,391	5.06
1001-2000	3,348,179	2,219	2.67	2,926,129	1,936	2.23
2001-3000	1,689,820	661	0.80	1,546,686	603	0.69
3001-4000	1,133,362	314	0.38	946,077	264	0.30
4001-5000	1,195,046	253	0.30	888,549	190	0.22
5001-10000	2,710,235	373	0.45	2,329,488	321	0.37
10001 & above	61,810,054	320	0.39	49,189,199	274	0.32
<b>Total</b>	<b>85,261,877</b>	<b>82,967</b>	<b>100.00</b>	<b>70,452,076</b>	<b>86,807</b>	<b>100.00</b>

### Dematerialisation of Shares

The shares of the Company are in compulsory demat segment and are available for trading in both the depository systems, namely, National Securities Depository Limited and Central Depository Services (India) Limited. Shares dematerialised upto March 31, 2015 are:

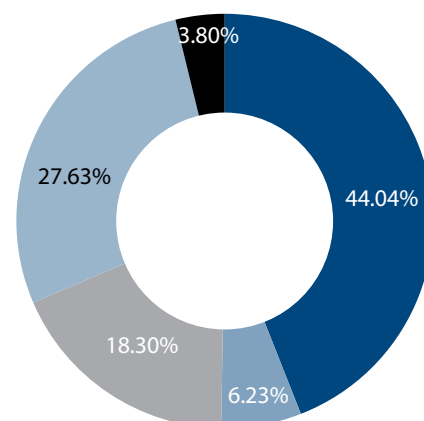
No. of Shares	% of Shares	No. of Shareholders	% of Shareholders
84,957,966	99.65	81,041	99.65

### Reconciliation of Share capital audit

A qualified practising Company Secretary carries out reconciliation of share capital audit every quarter to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued / paid up capital is in agreement with the aggregate total number of shares in physical form and the total number of dematerialised shares held with NSDL and CDSL.

#### a) Shareholding Pattern as on March 31, 2015

Category		No of Shares Held	Percentage of Shareholding
<b>A</b>	<b>Promoter Holding</b>		
1	Promoters / Promoter Group		
	a) Indian	37,550,582	44.04
	b) Foreign	Nil	Nil
	<b>Sub-Total (1)</b>	<b>37,550,582</b>	<b>44.04</b>
<b>B</b>	<b>Non-Promoter Holding</b>		
2	Institutional Investors		
	a) Mutual Funds	6,085	0.01
	b) Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Non-government Institutions)	3,486,686	4.09
	c) Foreign Institutional Investors (FIIs)	1,007,849	1.18
	<b>Sub-Total (2)</b>	<b>4,500,620</b>	<b>5.28</b>
3	Other Investors		
	a) Private Corporate Bodies	15,602,426	18.30
	b) Indian Public (Resident Individuals)	23,559,757	27.63
	c) Non Resident Indians / Overseas Corporate Bodies	806,804	0.95
	d) Foreign Companies	3,241,688	3.80
	<b>Sub Total (3)</b>	<b>43,210,675</b>	<b>50.68</b>
	<b>Grand Total (1+2+3)</b>	<b>85,261,877</b>	<b>100.00</b>



- Promoter Holding
- Institutional Investors
- Private Corporate Bodies
- Resident Individuals
- Foreign Companies

#### Global Depository receipts (GDRs)

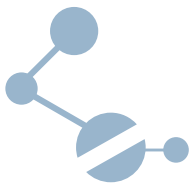
The number of GDRs outstanding as on March 31, 2015 are 32,26,688 out of the total number of 8,52,61,877 equity shares of the Company. Each GDR is represented by an underlying equity share .

#### Share Transfer System

M/s Integrated Enterprises (India) Limited are the Registrar and Share Transfer Agents for servicing activities relating to both physical and electronic segments. The Stakeholders Relationship committee met 6 times during the year 2013 - 2015. Securities lodged for transfer with the Registrar are processed within 15 days from the date of lodgement. The Board has delegated the power to approve the share transfer activities to few employees of the Company.

#### Unclaimed Dividends

Pursuant to Section 205A of the Companies Act, 1956, the unclaimed dividend amounting to ₹8,57,808/- pertaining to the financial year 2005-06 was transferred to the Investor Education and Protection Fund (IEPF) in July, 2013 and the unclaimed dividend amounting to ₹8,43,111/- pertaining to the financial year 2006-07 was transferred to the Investor Education and Protection Fund (IEPF) in September 2014.



Unclaimed dividend for the financial year 2007-2008 is due for transfer to IEPF in November 2015. The dividends for the years from 2008-2009 onwards, which remain unclaimed for seven years will be transferred to IEPF established by the Central Government under Section 125 of the Companies Act, 2013 as and when they become due. Shareholders who have not encashed their dividends for these periods are requested to write to the Company.

## Equity Shares in the Suspense Account

As per Clause 5A(II) of the Listing Agreement, the Company reports the following details in respect of equity shares lying in the suspense account which were issued pursuant to the Public Issue/Bonus Issue/Rights Issue of the Company and unclaimed as on March 31, 2015:

Sl No	Particulars	No of Shares Holders	No of Equity Shares
1	Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on October 1, 2013	207	12390
2	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	2	304
3	Number of shareholders to whom shares were transferred from the suspense account during the year	2	304
4	Aggregate Number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2015	205	12086

The voting rights on the shares outstanding in the suspense account as on March 31, 2015 shall remain frozen till the rightful owner of such shares claims the shares. As per Clause 5A(II) of the Listing Agreement, three reminders were issued for shares issued in physical form, which remain unclaimed. The Company has transferred these shares into one folio in the name of "Unclaimed Suspense Account" and dematerialised the same with one of the Depository participant.

## ECS Mandate

To service its investors better, the Company requests all its members who hold shares in electronic form to update their bank particulars with their respective depository participants immediately. Shareholders holding shares in physical form may kindly forward the bank particulars to the Company's Registrar and Share Transfer Agent.

## Plant Locations

### a) Active Pharmaceutical Ingredient Facilities

#### Alathur Works

Plot Nos.85-87, 98-100, 126-131, 138-151 and 159-164

SIDCO Industrial Estate, Alathur Kancheepuram Dist, Pin 603 110, Tamil Nadu, India

### b) Formulations (Finished Dosage Form) Facilities

i) A10/A11, SIDCO Industrial Estate  
Alathur, Kancheepuram Dist, Pin 603 110  
Tamil Nadu, India

ii) Plot Nos.B5 (Part) and B6 (Part),  
SIPCOT Industrial Park, Irungattukottai Sriperumbudur (Tk.), Pin 602 105  
Tamil Nadu, India

iii) B-77, SIDCO Industrial Estate  
Alathur, Kancheepuram Dist, Pin 603 110, Tamil Nadu, India

## Research and Development Centre

Plot No. 476/14, Old Mahabalipuram Road, Shozhanganallur  
Chennai - 600 119, Tamil Nadu, India

## Investor Contacts

a) Investor Correspondence / Compliance Officer  
Shri L Chandrasekar  
Company Secretary  
Phone : (044) - 28211000; Fax : (044) - 28275960  
E-mail : corporate@orchidpharma.com

b) Registrar and Share Transfer Agent  
Integrated Enterprises (India) Limited  
2nd Floor, Kences Towers, No.1 Ramakrishna Street, North Usman Road  
T.Nagar, Chennai - 600 017, Tamil Nadu, India  
Tel : 91-44-28140801 - 03, Fax : 91-44-28142479  
E-mail : corpserv@iepindia.com  
Website : www.iepindia.com

## 14. CEO/CFO Certification

In terms of Clause 49 of the Listing Agreement the Managing Director and the Chief Financial Officer give annual certification on financial reporting and internal controls to the Board. The Managing Director and the CFO also give quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41 of the Listing Agreement. Accordingly the Managing Director and CFO have certified to the Board inter alia the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose for the 18 (Eighteen) months ended March 31, 2015.

### Code of Conduct Certification (Under Clause 49 of the Listing Agreement)

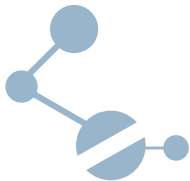
In accordance with Clause 49 sub-clause II(E) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for 18 (Eighteen) months ended March 31, 2015.

Place: Chennai

Date : May 28, 2015

**K. Raghavendra Rao**

*Managing Director*



## CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members of  
Orchid Chemicals & Pharmaceuticals Ltd

We have examined the compliance of the conditions of corporate governance by ORCHID CHEMICALS & PHARMACEUTICALS LIMITED, Chennai for the 18 months period ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the stock exchanges.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement except as reported by the Company in its quarterly compliance reports submitted to the stock exchanges for the quarter ended 31.12.2014.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For S Dhanapal & Associates**

**N Ramanathan**

*Partner*

C.P. No. 11084

Membership No. FCS 6665

Place: Chennai

Date: May 28, 2015