

## Orchid Pharma Limited

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CIN : L24222TN1992PLC022994

### Statement of unaudited financial results for the quarter ended June 30, 2018 under Ind AS

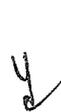
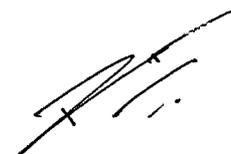
(Rs in Lakhs)

S.No	Particulars	Quarter ended			Year ended
		30.06.2018 (Unaudited)	31.03.2018 (Audited)	30.06.2017 (Unaudited)	31.03.2018 (Audited)
	<b>Income from Operations</b>				
1	(a) Net Sales/ Income from operations	13,064.68	15,578.51	13,963.63	64,900.18
2	(b) Other Income (Net)	426.79	141.57	537.52	1,986.72
3	<b>Total Income (1+2)</b>	<b>13,491.47</b>	<b>15,720.08</b>	<b>14,501.15</b>	<b>66,886.90</b>
4	<b>Expenses</b>				
	(a) Cost of materials consumed	4,638.02	7,306.26	9,848.99	32,710.36
	(b) Purchases of Stock in Trade	12.36	35.71	41.88	119.74
	(c) Changes in inventories of finished goods and WIP	2,110.13	(445.80)	(1,362.26)	256.64
	(d) Employees benefits expense	1,941.31	2,121.00	2,191.65	8,239.47
	(e) Finance Cost	1,354.89	7,913.52	7,088.52	30,164.80
	(f) Depreciation and amortisation expense	3,278.91	3,256.84	3,360.77	13,329.29
	(g) Excise Duty	-	-	483.25	483.25
	(h) Other expenses	5,788.26	5,784.57	5,981.44	21,730.39
	<b>Total Expenses</b>	<b>19,123.88</b>	<b>25,972.10</b>	<b>27,634.24</b>	<b>1,07,033.94</b>
5	Profit/ (Loss) before exceptional items and tax (3-4)	(5,632.41)	(10,252.02)	(13,133.09)	(40,147.04)
6	Exceptional items	1,032.46	-	-	-
7	<b>Profit/ (Loss) before tax (5+6)</b>	<b>(4,599.95)</b>	<b>(10,252.02)</b>	<b>(13,133.09)</b>	<b>(40,147.04)</b>
8	<b>Tax expense</b>				
	Current tax	-	-	-	-
	Deferred tax Asset/(Liability)	0.83	(860.75)	(1,685.23)	(4,619.44)
	<b>Total tax expenses</b>	<b>0.83</b>	<b>(860.75)</b>	<b>(1,685.23)</b>	<b>(4,619.44)</b>
9	Profit/ (Loss) for the period from continuing operations (7-8)	(4,600.78)	(9,391.27)	(11,447.86)	(35,527.60)
10	Profit/ (Loss) from discontinued operations	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-
12	<b>Profit/ (Loss) from discontinued operations (after tax) (10-11)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
13	<b>Profit/ (Loss) for the period (11+12)</b>	<b>(4,600.78)</b>	<b>(9,391.27)</b>	<b>(11,447.86)</b>	<b>(35,527.60)</b>
14	<b>Other comprehensive income, net of income tax</b>				
	(a) (i) items that will not be reclassified to profit or loss	17.23	192.64	(41.27)	74.22
	(ii) income tax relating to the above items	-	-	-	-
	(b) (i) items that will be reclassified to profit or loss	-	-	-	-
	(ii) income tax relating to the above items	-	-	-	-
	<b>Total other comprehensive income, net of income tax</b>	<b>17.23</b>	<b>192.64</b>	<b>(41.27)</b>	<b>74.22</b>
15	<b>Total comprehensive income/(loss) for the period (13+14)</b>	<b>(4,583.55)</b>	<b>(9,198.63)</b>	<b>(11,489.13)</b>	<b>(35,453.38)</b>
16	Paid-up equity share capital	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
17	Earning per share (Rs) (not annualised)				
	- Basic	(5.17)	(10.56)	(12.87)	(39.93)
	- Diluted	(5.17)	(10.56)	(12.87)	(39.93)

**Notes:**

- 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. Ramkumar Sripatham Venkatasubramanian (IP Registration no. IBB/IPA-001/IP-P00015/2016-17/10039) have 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.

In view of pendency of the CIRP, the further developments stated above and in view of suspension of the powers of board of directors, it was explained to us that the powers of adoption of the unaudited financial results for the quarter ended June 30, 2018 vest with the RP as per the instructions of the IMC.

These unaudited financial results 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 RP has, in review of the unaudited financial results and certifications, relied on the representations and statements made by MD and CFO in relation to these unaudited financial results. The RP has approved these unaudited 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 unaudited 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 and his appointment.

- 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 June 30, 2018. 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.  
Under the CIRP, the resolution plan has been presented and approved by the Committee of Creditors ("CoC") and thereafter it was approved by the Hon'ble NCLT vide its order dated September 17, 2018. The successful Resolution Applicant is yet to comply with the conditional orders passed thereafter by the Hon'ble NCLT. The said matter is posted for further hearing before the Hon'ble NCLT.  
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 for three months ended June 30, 2018 amounting to Rs. 1,032.46 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 and
  - b) provisions considered for investments in subsidiaries and loans given to subsidiaries.
- 5 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. Beginning April 1, 2017, the Company has for the first time adopted Ind AS with a transition date of April 1, 2016.
- 6 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 quarter ended June 30, 2017 and for the year ended March 31, 2018. The excise duty expenses was presented as a separate line item in the expenditure side in the aforesaid results, as required by Schedule III applicable to Ind AS Companies. Accordingly, the gross income from operations for the quarter ended June 30, 2018 is not comparable with that of the previous period presented in the above results.
- 7 The format for unaudited 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.

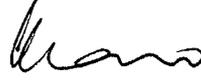


- 8 The operations of the Company falls under a single primary segment i.e., "Pharmaceuticals" in accordance with Ind AS 108 "Operating Segments" and hence no segment reporting is applicable.



L. Chandrasekar

Chief Financial Officer & Company Secretary

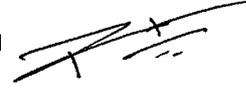


K Raghavendra Rao

Managing Director

DIN : 00010096

Taken on record



Ramkumar Sripatham Venkatasubramanian

Resolution Professional

IP Registration no. IBBI/IPA-001/IP-P00015/2016-17/10039

Place: Chennai

Date : November 30, 2018

