

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED JUNE 30, 2014 (Rs. Lakhs)

Sl. No.	Particulars	Unaudited				Audited
		Three months ended 30-Jun-2014	Three months ended 31-Mar-2014	Three months ended 30-Jun-2013	Nine months ended 30-Jun-2014	18 months ended 30-Sep-2013
1	Net Sales / Income from Operations (Net of Excise Duty)	27862.54	44845.65	24846.12	109590.16	184950.03
2	Other Operating Income	647.20	426.92	832.31	1352.20	9684.05
3	Total Operating Income (1+2)	28509.74	45272.57	25678.43	110942.36	194634.08
4	Expenditure					
	a) Cost of materials consumed	8336.64	17266.42	12188.27	41366.24	82246.39
	b) Purchases of stock-in-trade	69.41	44.20	404.64	233.61	5099.37
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	4018.55	5027.02	(628.76)	7755.08	8481.03
	d) Employees Cost	4089.52	2714.58	3930.45	10098.19	23705.13
	e) Depreciation / Amortisation	5672.74	5717.44	4194.80	17130.91	24386.87
	f) Other Expenditure	7842.70	9378.86	5480.61	25545.65	58141.83
	g) Total	30029.56	40148.52	25570.01	102129.68	202060.62
5	Profit / (Loss) from Operations before Other Income, Interest, Exceptional Item (3-4)	(1519.82)	5124.05	108.42	8812.68	(7426.54)
6	Other Income	-	1.16	-	1.32	1.31
7	Profit / (Loss) before Interest & Exceptional Item (5+6)	(1519.82)	5125.21	108.42	8814.00	(7425.23)
8	Finance cost	9448.23	10202.27	9524.40	29206.29	52038.06
9	Profit / (loss) after Interest but before Exceptional Item (7-8)	(10968.05)	(5077.06)	(9415.98)	(20392.29)	(59463.29)
10	Exceptional Item - Gain / (Loss)	3191.40	(893.75)	3965.49	1254.59	5111.08
11	Profit / (Loss) before Tax (9+10) from Ordinary activities	(7776.65)	(5970.81)	(5450.49)	(19137.70)	(54352.21)
12	Tax expenses					
	- Current Tax & Deferred Tax	(1762.19)	2108.34	-	346.15	(1329.56)
13	Net Profit / (Loss) after Tax (11-12)	(6014.46)	(8079.15)	(5450.49)	(19483.85)	(53022.65)
14	Paid-up Equity Share Capital (Face value of Rs.10/- each)	7045.21	7045.21	7045.21	7045.21	7045.21
15	Reserves excluding Revaluation Reserves	-	-	-	-	41771.33
16	Earnings per share (EPS) before extra-ordinary item					
	- Basic Rs.*	(8.54)	(11.47)	(7.74)	(27.66)	(75.26)
	- Diluted Rs.*	(8.54)	(11.47)	(7.74)	(27.66)	(75.26)
17	Earnings per share (EPS) after extra-ordinary item					
	- Basic Rs.*	(8.54)	(11.47)	(7.74)	(27.66)	(75.26)
	- Diluted Rs.*	(8.54)	(11.47)	(7.74)	(27.66)	(75.26)
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>					
1	Public Shareholding					
	- Number of equity shares	47711295	47711295	47711295	47711295	47711295
	- Percentage of Shareholding	67.72	67.72	67.72	67.72	67.72
2	Promoters and Promoter group shareholding					
a.	Pledged / Encumbered					
	- Number of shares	18290400	17531400	18659262	18290400	18941608
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	80.43	77.09	82.05	80.43	83.29
	- Percentage of shares (as a % of the total share capital of the company)	25.96	24.88	26.48	25.96	26.89
b.	Non - Encumbered					
	- Number of shares	4450381	5209381	4081519	4450381	3799173
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	19.57	22.91	17.95	19.57	16.71
	- Percentage of shares (as a % of the total share capital of the company)	6.32	7.40	5.79	6.32	5.39
	<b>Particulars</b>					
<b>B</b>	<b>INVESTOR COMPLAINTS</b>					
	Pending at the beginning of the quarter				- NIL -	
	Received during the quarter				- NIL -	
	Disposed off during the quarter				- NIL -	
	Remaining unresolved at the end of the quarter				- NIL -	

\* EPS for the period is not annualised.

- The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 14, 2014 and have been subjected to limited review by the Statutory Auditors.
- The Company is operating in single segment (i.e) "Pharmaceuticals".
- The Company's Corporate Debt Restructuring package, approved by the CDR Empowered Group vide its Letter of Approval Dt.10/03/2014, has been implemented in July 2014. The excess interest over and above the reduced rate of interest as approved by CDR Empowered Group amounting to Rs.41.98 Crore is included in the exceptional items.
- On July 04, 2014 the Company has implemented the Business Transfer Agreement (BTA) dated August 29, 2012 with Hospira Healthcare India Private Limited for the sale and transfer of Orchid's Penicillin and Penem API business and the API facility located in Aurangabad (Maharashtra) together with an associated Process R&D infrastructure located in Chennai. The entries relating the sale will be given effect in the quarter in which the agreement has been implemented.
- Employee cost for the quarter includes provision for one time payment of Rs.12 Crore.
- Exceptional items for three months ended June 30, 2014 represents amortisation of exchange loss on restatement of Foreign currency loans amounting to Rs.826.31 Lakhs, reversal of excess interest charged during April 2013 - June 2014 amounting to Rs.4197.70 Lakhs and expenses relating to CDR Rs. 180 Lakhs.
- 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 June 30, 2014 on account of exercising the above option is Rs.11,276.73 Lakhs.
- The auditors have observed matters relating to recovery of certain advances paid to suppliers, non-provision of diminution in value of investments in a foreign R&D subsidiary and reconciliation of all bank accounts by the Company after CDR completion. 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 in due course. As far as the diminution in value of investments is concerned, the Company is confident that the value of molecules held by the foreign subsidiary will be more than the investment. With the implementation of the CDR scheme in July 2014, the interest liability as confirmed by the Financial advisor for the CDR implementation has been accounted for. However final confirmation from Banks are awaited and the management is confident that there will be no impact on the financials on account of the matters referred to in the audit report.
- Provision for Taxation for the current quarter has been determined after considering the effect of Business Transfer completed in July 2014.
- Previous period figures have been regrouped wherever necessary.

For and on behalf of the Board

Place: Chennai  
Date : August 14, 2014

**K.Raghavendra Rao**  
Managing Director