

UNAUDITED FINANCIAL RESULTS FOR QUARTER / SIX MONTHS ENDED MARCH 31, 2014

Rs. lakhs

S. No.	Particulars	Three months ended			Six Months ended	18 months ended
		31-Mar-2014 (Unaudited)	31-Dec-2013 (Unaudited)	31-Mar-2013 (Unaudited)	31-Mar-2014 (Unaudited)	30-Sep-2013 (Audited)
1	Net Sales / Income from Operations (Net of Excise Duty)	44,845.65	36,881.97	26,815.67	81,727.62	1,84,950.03
2	Other Operating Income	426.92	278.08	-	705.00	9,684.05
3	Total Operating Income (1+2)	45,272.57	37,160.05	26,815.67	82,432.62	1,94,634.08
4	Expenditure					
	a) Cost of materials consumed	17,266.42	15,763.18	12,694.76	33,029.60	82,246.39
	b) Purchases of stock-in-trade	44.20	120.00	644.38	164.20	5,099.37
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	5,027.02	(1,290.49)	204.75	3,736.53	8,481.03
	d) Employees Cost	2,714.58	3,294.09	3,728.41	6,008.67	23,705.13
	e) Depreciation / Amortisation	5,717.44	5,740.73	3,863.41	11,458.17	24,386.87
	f) Other Expenditure	9,378.86	8,324.09	8,145.87	17,702.95	58,141.83
	g) Total	40,148.52	31,951.60	29,281.58	72,100.12	2,02,060.62
5	Profit / (Loss) from Operations before Other Income, Interest, Exceptional Item (3-4)	5,124.05	5,208.45	(2,465.91)	10,332.50	(7,426.54)
6	Other Income	1.16	0.16	-	1.32	1.31
7	Profit / (Loss) before Interest & Exceptional Item (5+6)	5,125.21	5,208.61	(2,465.91)	10,333.82	(7,425.23)
8	Finance cost	10,202.27	9,555.79	8,576.43	19,758.06	52,038.06
9	Profit/(loss) after interest but before Exceptional Item (7-8)	(5,077.06)	(4,347.18)	(11,042.34)	(9,424.24)	(59,463.29)
10	Exceptional Item - Gain/(Loss)	(893.75)	(1,043.06)	(639.64)	(1,936.81)	5,111.08
11	Profit/(Loss) before Tax (9+10) from Ordinary activities	(5,970.81)	(5,390.24)	(11,681.98)	(11,361.05)	(54,352.21)
12	Tax expenses					
	- Current Tax & Deferred Tax	2,108.34	-	1,544.86	2,108.34	(1,329.56)
13	Net Profit/(Loss) after Tax (11-12)	(8,079.15)	(5,390.24)	(13,226.84)	(13,469.39)	(53,022.65)
14	Paid-up Equity Share Capital (Face value of Rs.10/- each)	7,045.21	7,045.21	7,045.21	7,045.21	7,045.21
15	Reserves excluding Revaluation Reserves	-	-	-	-	41,771.33
16	Earnings per share (EPS) before extra-ordinary item					
	- Basic Rs.*	(11.47)	(7.65)	(18.77)	(19.12)	(75.26)
	- Diluted Rs.*	(11.47)	(7.65)	(18.77)	(19.12)	(75.26)
17	Earnings per share (EPS) after extra-ordinary item					
	- Basic Rs.*	(11.47)	(7.65)	(18.77)	(19.12)	(75.26)
	- Diluted Rs.*	(11.47)	(7.65)	(18.77)	(19.12)	(75.26)

* EPS for the period (not annualised)

UNAUDITED FINANCIAL RESULTS FOR QUARTER / SIX MONTHS ENDED MARCH 31, 2014

Rs. lakhs

A PARTICULARS OF SHAREHOLDING						
1	Public Shareholding					
	- Number of equity shares	477,11,295	477,11,295	477,11,295	477,11,295	477,11,295
	- 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	175,31,400	172,76,400	176,16,262	175,31,400	189,41,608
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	77.09	75.97	77.47	77	83.29
	- Percentage of shares (as a % of the total share capital of the company)	24.88	24.52	25.00	24.88	26.89
	b. Non - Encumbered					
	- Number of shares	52,09,381	54,64,381	51,24,519	52,09,381	37,99,173
	- Percentage of shares (as a % of the total shareholding of Promoter and Promoter group)	22.91	24.03	22.53	22.91	16.71
	- Percentage of shares (as a % of the total share capital of the company)	7.40	7.76	7.28	7.40	5.39

PARTICULARS

B INVESTOR COMPLAINTS						
	Pending at the beginning of the quarter					- NIL -
	Received during the quarter					- NIL -
	Disposed of during the quarter					- NIL -
	Remaining unresolved at the end of the quarter					- NIL -

- 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 May 12, 2014 and have been subjected to limited review by the statutory auditors.
- 2 The Company is operating in single segment (i.e) "Pharmaceuticals".
- 3 The Company's application for Debt Restructuring has been approved by the CDR Empowered Group vide its Letter of Approval Dt.10/03/2014 and the implementation of the Restructuring Package is in progress. The implementation is expected to be completed in June 2014. The reduced rate of interest as approved by CDR Empowered Group has not been considered for the period pending completion of the implementation.
- 4 The Company has entered into a 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 Business Transfer is likely to get completed with the implementation of Debt Restructuring Scheme in June 2014.
- 5 Exceptional items for three months ended March 31, 2014 represents amortisation of exchange loss on restatement of Foreign currency loans.
- 6 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 March 31, 2014 on account of exercising the above option is Rs.12,593.91 Lakhs.
- 7 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 non-provision of penal interest on loans taken by the Company. The Corporate Debt Restructuring scheme and the final approval for the scheme has already been approved and under implementation. 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 approval, 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 approval for the CDR scheme in place, the interest liability will come down and hence there will be no need for any provision for penal interest. The Management confirms that there will be no impact on the financials on account of the matters referred to in the audit report.
- 8 Provision for Taxation for the current quarter has been made as the Company could not complete the proposed Business Transfer Agreement before 31/03/2014 as envisaged and hence the tax credit taken in the previous quarters has to be reversed.
- 9 Previous period figures have been regrouped wherever necessary.

Place : Chennai
Date : May 12, 2014

K. Raghavendra Rao
Chairman & Managing Director