



## PHARMACEUTICALS EXPORT PROMOTION COUNCIL

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### Orchid pares debt, repays Rs 1,400 cr

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<http://www.financialexpress.com/news/Orchid-pares-debt--repays-Rs-1-400-cr/624605/>

**Chennai:** Orchid Chemicals and Pharmaceuticals has brought down its long-term debt substantially by repaying close to Rs 1,400 crore. The company is significantly de-leveraging its balance sheet, thanks to the sale of its facilities to the US-based Hospira a few months back for a consideration of \$400 million.

During the fourth quarter of the fiscal under review (January-March 2010), Orchid completed the transaction for sale and transfer of its generic injectable finished dosage forms pharmaceuticals business to Hospira. The sale and transfer transaction included Orchid's betalactam antibiotics injectables manufacturing complex and formulations R&D facility at Irungattukottai, Chennai, as well as its generic injectable product portfolio and pipeline.

Flush with the funds from the sale proceeds, Orchid repaid Rs 1,400 crore of loans during the fourth quarter of FY10. Consequently, Orchid's balance sheet has been significantly de-leveraged, the company said in a statement here on Thursday. Following which Orchid registered a profit after tax of Rs 331.34 crore for the fiscal ended March 31, 2010, as against a net loss of Rs 52.17 crore in the previous financial year. The turnover and operating income was marginally up to Rs 1,251.04 crore for the fiscal year ended March 31, 2010 as compared to the previous year's revenues of Rs 1,211.27 crore. On a consolidated basis, Orchid's turnover rose to Rs 1,343.45 crore for the fiscal ended March 31, 2010 compared to Rs 1,315.56 crore of the corresponding fiscal.