

VIVEKANANDAN ASSOCIATES

Chartered Accountants

No. 9/1 (Old 22/1) 12th Avenue - Vaigai Colony
Ashok Nagar Chennai 600 083
Tel : (044) 2471 6433 Fax : (044) 2471 7046
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Limited Review Report to The Board of Directors of Arvind Remedies Limited

1. We have reviewed the accompanying statement of audited financial results of **Arvind Remedies Limited**, having its **Corporate Office** at : 38, 39 & 40 SIDCO INDUSTRIAL ESTATE, KAKKALUR DISTRICT TIRUVALLUR 609110 for the quarter and twelve months ended 30th June 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the standard on review engagement(SRE) 2410, *Review of Interim Financial Information performed by the Independent Auditor of the Entity*

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- c) For the Financial year 2013-14, the tax liability has been reported on book profit of Rs. 1847.51 lakhs as against Rs. 8639.43 lakhs, though tax provisioning in accounts was made for book profit of Rs. 8639.43 lakhs.
- d) In the absence of audited financial statement of the Company's subsidiary Arvind Remedies Inc, USA and Arvind Remedies LLC, USA we are unable to provide for diminution in the value of investments should in case such subsidiary company has incurred losses.

ARVIND REMEDIES LTD
BALANCE SHEET AS AT JUNE 30, 2015

Amount (Rs. In Lakhs)

EQUITY AND LIABILITIES

Shareholders' Funds

Share Capital	2	6,813.08	6,813.08
Reserves and Surplus	3	(11,040.66)	21,134.13
		(4,227.58)	27,947.21

Non-current Liabilities

Long-term Borrowings	4	19,375.31	24,454.30
Deferred Tax Liabilities (Net)	5	3,538.47	4,063.53
Other Long Term Liabilities	6	443.95	154.46
Long-term Provisions	7	61.64	45.65
		23,419.36	28,717.94

Current Liabilities

Short-term Borrowings	8	46,925.24	32,935.02
Trade Payables	9	814.66	9,448.59
Other Current Liabilities	10	9,763.79	7,923.20
Short-term Provisions	11	1,680.65	2,186.75
		59,184.35	52,493.56

Total		78,376.13	109,158.71
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ASSETS

Non-current Assets

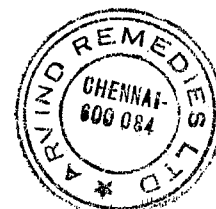
Fixed Assets

Tangible Assets	12	27,527.94	34,925.23
Intangible Assets	13	3.20	4.88
Expenditure on New Projects (pending allocation)	-	-	6,658.49
Non-current Investments	14	348.05	603.05
Long-term Loans and Advances	15	477.44	402.79
Other Non-current Assets	16	11.57	3.29
		28,368.20	42,597.73

Current Assets

Inventories	17	736.26	19,443.78
Trade Receivables	18	47,749.64	33,290.01
Cash and Bank Balances	19	326.27	551.30
Short-term Loans and Advances	20	1,195.76	13,238.01
Other Current Assets	21	-	37.88
		50,007.93	66,560.98

Total		78,376.13	109,158.71
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ARVIND REMEDIES LIMITED
CORPORATE OFFICE: 38, 39 & 40, SIDCO INDUSTRIAL ESTATE, KAKKALUR - 602 003 TIRUVALLUR DIST, TN
AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2015
CIN: L24231TN1988PLC015882

PART-I

(Amount Rs. In Lakhs)

SI No	PARTICULARS	Standalone				
		FOR THE QUARTER ENDED			FOR THE 15 MONTHS ENDED	YEAR ENDED
		30.06.2015 (Audited)	31.03.2015 (Unaudited)	30.06.2014 (Unaudited)	30.6.2015 (Audited)	31.03.2014 (Audited)
1	Income from Operations					
	a) Net Sales (net of Excise Duty)	1,206.19	4,672.11	25,846.20	78,643.58	91,048.57
	b) Other Operating Income	8.08	3.07	15.14	63.21	62.19
	Total Income from Operations (net)	1,214.26	4,675.17	25,861.34	78,706.80	91,110.76
2	Expenses					
	a) Cost of Materials consumed	1,037.85	(5,543.42)	21,047.31	65,746.14	69,088.05
	b) Purchase of Stock in Trade	-	-	-	8,614.74	200.99
	c) Change in Inventories of Finished goods, Work in Progress and Stock in Trade	(17.67)	22,575.37	(2,575.43)	4,645.43	(927.43)
	d) Employee Benefits Expenses	127.71	166.11	478.09	1,598.62	1,741.31
	e) Depreciation and Amortization Expenses	631.48	369.55	651.73	2,946.35	1,390.49
	f) Power & Fuel	17.34	21.46	94.36	314.10	349.42
	g) Other Expenses	216.97	26.18	472.94	2,102.93	2,964.67
	Total Expenses	2,013.67	17,615.26	20,169.00	85,968.31	74,807.50
3	Profit from Operations before other Income, Finance Costs and Exceptional Items (1-2)	(799.40)	(12,940.09)	5,692.34	(7,261.51)	16,303.26
4	Other Income	0.00	451.24	14.51	586.21	46.52
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	(799.40)	(12,488.85)	5,706.85	(6,675.30)	16,349.78
6	Finance Costs	(377.44)	(495.30)	2,437.56	7,106.95	7,710.35
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	(421.96)	(11,993.55)	3,269.29	(13,782.26)	8,639.43
8	Exceptional Items (Refer Note No. 8)	-	0.00	-	984.11	-
	Obsolete Items Written off		(7,113.17)		(19,729.67)	-
9	Profit from ordinary activities before Tax (7+8)	(421.96)	(19,106.72)	3,269.29	(32,527.81)	8,639.43
10	Tax Expenses					
	Current Tax	-	-	625.00	-	2,050.00
	MAT Credit Entitlement	-	-	-	-	(225.00)

PART-II

SI No	PARTICULARS	FOR THE QUARTER ENDED			FOR THE 15 MONTHS ENDED	YEAR ENDED
		30.06.2015	31.03.2015	30.06.2014	30.6.2015	31.03.2014
A	Particulars of Shareholding					
1	Public Shareholding					
	a) Number of Shares	65,690,444	65,690,444	43,498,188	65,690,444	43,498,188
	b) Percentage of Shareholding	96.42	96.42	63.85	96.42	63.85
2	Promoters and Promoters group shareholding					
	a) Encumbered / Pledged					
	- Number of Shares	2,425,556	2,425,556	9086000	2,425,556	7,500,000
	- Percentage of Shares (as a % of total shareholding of promoter and promoters group)	99.59	99.59	36.89	99.59	30.45
	- Percentage of Shares (as % of total Share capital of the company)	3.56	3.56	13.34	3.56	11.01
	b) Non-Encumbered					
	- Number of Shares	10,000	10,000	15,541,812	10,000	17,127,812
	- Percentage of Shares (as a % of total shareholding of promoter and promoters group)	0.41	0.41	63.11	0.41	69.55
	- Percentage of Shares (as % of total Share capital of the company)	0.01	0.01	22.81	0.01	25.14

B	INVESTORS COMPLAINTS	3 months ended 30th June, 2015
	Pending at the beginning of the quarter	0
	Received during the Quarter	4
	Disposed of during the quarter	4
	Remaining Unresolved at the end of the quarter	0

NOTES

1	The above unaudited financial results as reviewed by the Audit Committee were taken on record by the Board of Directors in its adjourned meeting held on 7th March 2016.
2	Financial year extended to June 30th 2015 with the approval from Registrar of companies In view of this extension, the consolidated results could not be compiled.
3	The Previous year's/Period's figures have been regrouped/rearranged wherever considered necessary.
4	The Company operates in one business segment only, i.e. Pharma formulation (Manufacturing and trading). As such, it does not have any reportable business segment.
5	The operations at both the Kakkalur Units of the Company were suspended from 21.12.2014 due to strike called by the employees. Subsequent to the order of the Honorable High Court the company had removed the material available at the factory before the strike and commenced the production from 2nd week of February 2015. This strike also spread to IKKT unit for a brief period of ten days.
6	Due to sudden strike as mentioned above, during the strike period no person was allowed inside the factory premises, leading to failure in the environmental conditions, directly affecting the quality, purity and usage of the materials. After the Court Order the management was able to enter the factory and the materials were analyzed by High Powered Technical Committee of the company and based on their assessment inventory valued at Rs.19729.67 Lacs were identified as no longer usable and the intimation thereto was sent to the authorities concerned.
7	Thereafter such products were destroyed as per standard operating procedure so as to avoid any possible misuse and or contamination with good products. The value of such stocks have been provided for and included under exceptional items.
8	In respect of Kakkalur Unit II to comply with international norms (USFDA & Europeans Standards), certain modification and up-gradation were required, to complete this exercise and major part of machinery was sent back to the suppliers aggregated Rs.10314.44 Lacs. The same was intimated to the Bankers in the Consortium meeting held subsequently and accordingly asset value also stands reduced to that extant.
9	The Trading of Company Shares was suspended from 27th November 2015 due to non-compliance clause 41 of listing agreement. On submission of financial results for the remaining quarters, application will be submitted to the exchanges for revocation of suspension.

Place: Chennai
Date : 07th March, 2016



For ARVIND REMEDIES LIMITED

(Signature)
Dr. B Arvind Shan
Managing Director