



ARVIND REMEDIES LTD

Ref: ARL/2014-15/NSE/DIR/

February 27, 2015

The Listing Department
The National Stock Exchange
Exchange Plaza
Bandra Kurla Complex, Bandra (East)
Mumbai 400 051

Dear Sirs,

Sub: Outcome of Board Meeting held on 27.2.2015

We have to inform you that in the meeting of Board of Directors held today the 27th February 2015, the following decisions were taken.

1. Board considered and approved the unaudited financial results for the quarter ended 31st December 2014. The financial results duly signed, together with the Limited Review Report of Auditors, are enclosed herewith, as per Clause 41 of the Listing Agreement.

While considering the above, Board discussed on the status of strike by workers, the conciliation efforts, and the decision pending at Court. It was informed that due to strike and resultant improper humidity & environment conditions, damage has been caused to the goods in process and thereby there is loss in the current quarter.

2. Board discussed on the debt restructuring proposal which has been taken up in view of the liquidity problem. It was felt that restructuring will be beneficial to the Company, and discussed about the progress in this regard.

Kindly take the above information into your records. This submitted as per the Listing Agreement.

Thanking you,

Yours faithfully
For Arvind Remedies Limited

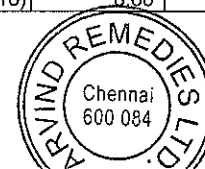
Company Secretary

Encl: as above

ARVIND REMEDIES LIMITED
REGISTERED OFFICE: 190 POONAMALEE HIGH ROAD, CHENNAI 600084
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2014
CIN: L24231TN1988PLC015882

PART-I

SI No	PARTICULARS	Rs in lacs					
		FOR THE QUARTER ENDED			FOR THE NINE MONTHS ENDED		YEAR ENDED
		31.12.2014 (Unaudited)	30.09.2014 (Unaudited)	31.12.2013 (Unaudited)	31.12.2014 (Unaudited)	31.12.2013 (Unaudited)	31.03.2014 (Audited)
1	Income from Operations						
	a) Net Sales (net of Excise Duty)	17,608.41	29,310.68	23,304.02	72,765.29	63,616.46	91,048.57
	b) Other Operating Income	15.06	21.87	17.75	52.07	54.45	62.19
	Total Income from Operations (net)	17,623.47	29,332.55	23,321.77	72,817.36	63,670.91	91,110.76
2	Expenses						
	a) Cost of Materials consumed	24,027.26	25,177.14	16,619.24	70,251.71	48,371.59	69,088.05
	b) Purchase of Stock in Trade	5,744.65	2,870.09	20.58	8,614.74	161.95	200.99
	c) Change in Inventories of Finished goods, Work in Progress and Stock in Trade	(10,568.92)	(4,767.92)	1,187.10	(17,912.27)	(131.22)	(927.43)
	d) Employee Benefits Expenses	339.84	486.87	443.52	1,304.80	1,329.61	1,741.31
	e) Depreciation and Amortization Expenses	664.19	629.40	334.98	1,945.32	995.81	1,390.49
	f) Power & Fuel	63.03	117.91	72.54	275.30	264.47	349.42
	g) Other Expenses	123.92	1,262.92	360.17	1,859.78	1,241.34	2,964.67
	Total Expenses	20,393.97	25,776.41	19,038.13	66,339.38	52,233.55	74,807.50
3	Profit from Operations before other Income, Finance Costs and Exceptional Items (1-2)	(2,770.50)	3,556.14	4,283.64	6,477.98	11,437.36	16,303.26
4	Other Income	106.66	13.80	8.17	134.97	27.35	46.52
5	Profit from ordinary activities before Finance Costs and Exceptional Items (3+4)	(2,663.84)	3,569.94	4,291.81	6,612.95	11,464.71	16,349.78
6	Finance Costs	2,194.42	3,347.71	1,837.71	7,979.69	5,086.98	7,710.35
7	Profit from ordinary activities after Finance Costs but before Exceptional Items (5-6)	(4,858.26)	222.23	2,454.10	(1,366.74)	6,377.73	8,639.43
8	Exceptional Items (Refer Note No. 8)	11,632.39	-	-	11,632.39	-	-
9	Profit from ordinary activities before Tax (7-8)	(16,490.65)	222.23	2,454.10	(12,999.13)	6,377.73	8,639.43
10	Tax Expenses						
	Current Tax	(675.00)	50.00	500.00	-	1,300.00	2,050.00
	MAT Credit Entitlement	-	-	-	-	-	(225.00)
	Deferred Tax Charge / (Credit)	(16.52)	40.45	93.45	57.00	251.36	930.15
	Income Tax for earlier year	-	-	-	-	-	(5.57)
		(691.52)	90.45	593.45	57.00	1,551.36	2,749.58
11	Net Profit from ordinary activities after Tax (9-10)	(15,799.13)	131.78	1,860.65	(13,056.13)	4,826.37	5,889.85
12	Extra Ordinary Items (Net of Tax Expenses)	-	-	-	-	-	-
13	Net Profit for the period (11-12)	(15,799.13)	131.78	1,860.65	(13,056.13)	4,826.37	5,889.85
14	Paid up Equity Share Capital (Face Value Rs.10/-)	6,812.60	6,812.60	6,812.60	6,812.60	6,812.60	6,812.60
15	Reserves (Excluding Revaluation Reserve) (as per Balance Sheet of previous accounting year)						20,396.63
16	Earning per Share (Before and After Extra Ordinary Items) (not annualised) (Rs)						
	a) Basic	(23.19)	0.19	3.34	(19.16)	8.66	10.02
	b) Diluted	(23.19)	0.19	3.34	(19.16)	8.66	10.02



PART-II

SI No	PARTICULARS	FOR THE QUARTER ENDED			FOR THE NINE MONTHS ENDED		YEAR ENDED
		31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
A	Particulars of Shareholding						
1	Public Shareholding						
	a) Number of Shares	62,619,944	43,327,688	43,387,188	62,619,944	43,387,188	43,498,188
	b) Percentage of Shareholding	91.92	63.60	63.69	91.92	63.69	63.85
2	Promoters and Promoters group shareholding						
	a) Encumbered						
	- Number of Shares	3,070,500	7,156,500	-	3,070,500	-	7,500,000
	- Percentage of Shares (as a % of total shareholding of promoter and promoters group)	55.77	28.86	-	55.77	-	30.45
	- Percentage of Shares (as % of total Share capital of the company)	4.51	10.50	-	4.51	-	11.01
	b) Non-Encumbered						
	- Number of Shares	2,435,556	17,641,812	24,738,812	2,435,556	24,738,812	17,127,812
	- Percentage of Shares (as a % of total shareholding of promoter and promoters group)	44.23	71.14	100.00	44.23	100.00	69.55
	- Percentage of Shares (as % of total Share capital of the company)	3.57	25.90	36.31	3.57	36.31	25.14

B	INVESTORS COMPLAINTS	3 months ended 31st December, 2014
	Pending at the beginning of the quarter	0
	Received during the Quarter	3
	Disposed of during the quarter	3
	Remaining Unresolved at the end of the quarter	0

NOTES

- The above unaudited financial results as reviewed by the Audit Committee were taken on record by the Board of Directors in their meeting held on 27th February 2015.
- The operation at both Kakkalur units of the company was suspended with effect from 21st December 2014 due to illegal strike called by the employees. The strike is still continuing. The management is negotiating to end the strike and is hopeful that settlement will be reached soon. Subsequent to the order of Hon'ble high court, the company has removed the finished goods available at factory before the strike and commenced the production from the 2nd week of February 2015. This strike also spread to IKKT unit for a brief period of 10 days during the month of January 2015. Accounting adjustments, as appropriate, will be made once the settlement is reached.
- Due to sudden strike as mentioned in Note:2 above and during the initial period no person was allowed to go inside the factory premises, leading to failure in the environmental conditions, directly affecting the quality, purity and usage of some of the products. Subsequently, after the court order when the management was able to enter the factory, the materials were analysed by a high powered technical committee of the company in the last week of January 2015. Based on this assessment Inventories valued at Rs 12,617.51 lacs were identified as no longer usable and accordingly, such products were destroyed as per standard operating procedure under GMP 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.
- In view of financial constraints and defaults in servicing loans from various bankers, the company has moved a proposal to the consortium of the banks for debt restructuring. The proposal is being pursued with the bankers and the company is hopeful of a successful restructuring.
- During the year, the company has sold goods to certain distributors who have failed to make payment to the extent of Rs. 9,525 lacs as per stipulation. These parties have approached the company for extension of the credit period which is being considered by the company. The aforesaid amount has been considered good of recovery.
- During the quarter under review, the company's investments in its subsidiary namely M/S Coronet Labs Private Limited have been sold. M/S Coronet Labs Private Limited has ceased to be a subsidiary with effect from 1st October 2014. The profit on sale has been shown as exceptional item.
- In order to make the Kakkalur unit II (which was partially capitalised last year and partly lying in capital work in progress) compliant with international norms (USFDA & European Standards), certain modifications and upgradations were required. To complete this exercise, major part of machinery (including items lying under capital work in progress) were dismantled during the period and sent back to the suppliers aggregating to Rs 10,082 lacs. The value of the assets aggregating to Rs 4,115 lacs was transferred back to capital work-in-progress. The same was intimated to the bankers in the consortium meeting held subsequently.
- Exceptional items include loss on account of stock destroyed for Rs. 12,617.51 lacs and profit on sale of investments in subsidiary of Rs 985.13 lacs.
- The Previous year's/Period's figures have been regrouped/rearranged wherever considered necessary.



- 10 The Company operates in one business segment only, i.e. Pharma Formulations. As such, it does not have any reportable business segment.
- 11 With effect from 1st April 2014, the company has computed depreciation with reference to the useful life / revised remaining useful life of the assets as specified by and in the manner prescribed in Schedule II of the Companies Act 2013. Due to this change, depreciation charge to the Statement of Profit & Loss for the quarter under review is higher by Rs 225.72 lacs (Rs. 617.37 lacs for the nine months period under review).
Besides, depreciation towards the remaining value of certain assets whose useful life is already exhausted as on 1st April 2014, net of deferred tax, amounting to Rs. 112.83 lacs has been adjusted against retained earnings.

Place: Chennai
Date : 27th February, 2015



For ARVIND REMEDIES LIMITED


Dr. B. Arvind Shan
Managing Director