

Neuland Laboratories Limited
Sanali Info Park, 'A' Block,
Ground Floor, 8-2-120/113
Road No. 2, Banjara Hills
Hyderabad - 500 034,
Telangana, India.

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www.neulandlabs.com

February 10, 2017

To
BSE Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai - 400 001
Scrip Code: 524558

To
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex
Bandra (E) Mumbai - 400 001
Scrip Code: NEULANLAB
Series: EQ

Dear Sirs,

Sub: Outcome of the Board Meeting held on February 10, 2017

Ref: Disclosure under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby inform you that, the Board of Directors of our Company had at its meeting held on February 10, 2017, accorded approval to the following businesses:

- a. Unaudited Financial Results of the Company for the quarter ended December 31, 2016 and the Limited Review thereon by the auditors. The said financial results and limited review report by the auditors for the quarter ended December 31, 2016 are attached herewith.
- b. Considered and approved draft Postal Ballot Notice to approve Related Party Transactions.
- c. Approved resignation of Mr. Anil Kumar, Chief Financial Officer (Key Managerial Personnel) of the Company, who would be relieved from the services of the Company from the closing hours of February 28, 2017. His successor shall be appointed shortly and the same shall be intimated to the stock exchanges.

This for your information and records.

Thanking you,

Yours faithfully,
For Neuland Laboratories Limited



Sarada Bhamidipati
Company Secretary



Walker Chandiok & Co LLP

Walker Chandiok & Co LLP
(Formerly Walker, Chandiok & Co)
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Review Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Neuland Laboratories Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Neuland Laboratories Limited ("the Company") for the quarter ended 31 December 2016 and the year to date results for the period 1 April 2016 to 31 December 2016. 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 the Statement 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, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.


For Walker Chandiok & Co LLP
Chartered Accountants

Firm's Registration No: 001076N/N500013


per Sanjay Kumar Jain
Partner
Membership No : 207660



Place : Hyderabad
Date : 10 February 2017

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NEULAND LABORATORIES LIMITED

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2016

(Amount in lakhs of ₹ unless otherwise stated)

Sl. No.	Particulars	Quarter Ended 31.12.2016 (Unaudited)	Quarter Ended 30.09.2016 (Unaudited)	Quarter Ended 31.12.2015 (Unaudited)	Nine Months Ended 31.12.2016 (Unaudited)	Nine Months Ended 31.12.2015 (Unaudited)	Year Ended 31.03.2016 (Audited)
1	Income from Operations						
	(a) Net Sales / Income from Operations (net of excise duty)	12,867.49	14,442.89	11,575.30	41,868.82	35,049.59	48,576.71
	(b) Other Operating Income	375.89	515.98	727.68	1,310.03	2,443.66	2,420.30
	Total Income from Operations (Net)	13,243.38	14,958.87	12,302.98	43,178.85	37,493.25	50,997.01
2	Expenses						
	(a) Cost of Materials consumed	6,503.21	6,871.67	5,981.31	20,345.60	19,378.84	25,956.67
	(b) Changes in inventories of finished goods and work-in-progress	100.05	633.99	182.07	813.18	(84.53)	(611.18)
	(c) Employee benefits expense	1,624.44	1,559.22	1,509.48	4,849.82	4,492.07	5,989.23
	(d) Depreciation and amortisation expense	481.85	454.42	393.31	1,372.34	1,163.10	1,574.26
	(e) Manufacturing expenses	1,437.74	1,584.83	1,271.62	4,484.67	3,675.31	5,284.20
	(f) Sales promotion expenses including sales commission	887.02	714.32	272.72	3,113.54	686.59	2,039.90
	(g) Other expenses	1,164.96	1,073.49	1,180.40	3,068.50	3,377.09	4,351.22
	Total Expenses	12,199.27	12,891.94	10,790.91	38,047.65	32,688.47	44,584.30
3	Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)	1,044.11	2,066.93	1,512.07	5,131.20	4,804.78	6,412.71
4	Other Income	24.66	(5.54)	38.24	67.82	88.81	161.91
5	Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)	1,068.77	2,061.39	1,550.31	5,199.02	4,893.59	6,574.62
6	Finance Costs	479.63	522.42	636.42	1,611.73	1,918.31	2,446.60
7	Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)	589.14	1,538.97	913.89	3,587.29	2,975.28	4,128.02
8	Exceptional Items	-	-	-	-	-	-
9	Profit/(loss) from ordinary activities before tax (7-8)	589.14	1,538.97	913.89	3,587.29	2,975.28	4,128.02
10	Tax expense	207.89	500.10	286.24	1,196.04	997.16	1,486.54
11	Net profit/(loss) from ordinary activities after tax (9-10)	381.25	1,038.87	627.65	2,391.25	1,978.12	2,641.48
12	Extraordinary items	-	-	-	-	-	-
13	Net profit/(loss) for the period (11-12)	381.25	1,038.87	627.65	2,391.25	1,978.12	2,641.48
14	Paid-up Equity Share Capital (Face value of ₹10 per share)	895.49	895.39	895.39	895.49	895.39	895.39
15	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	-	-	17,437.92
16.i	Earnings Per Share (before extraordinary items) (of ₹10 each) (In absolute ₹)						
	(a) Basic (not annualized)	4.30	11.69	7.07	26.92	22.27	29.73
	(b) Diluted (not annualized)	4.30	11.69	7.07	26.92	22.27	29.73
16.ii	Earnings Per Share (after extraordinary items) (of ₹10 each) (In absolute ₹)						
	(a) Basic (not annualized)	4.30	11.69	7.07	26.92	22.27	29.73
	(b) Diluted (not annualized)	4.30	11.69	7.07	26.92	22.27	29.73
	See accompanying notes to the financial results						



NOTES:

- 1 The above unaudited financial results have been reviewed by the Audit Committee at their meeting held on February 9, 2017, and approved and taken on record by the Board of Directors at their meeting held on February 10, 2017.
- 2 EPS for quarters are not annualized.
- 3 The operations of Neuland Laboratories Limited ("The Company") are predominantly related to the manufacture of Active Pharmaceutical Ingredients (API). As such there is only one primary reportable segment as per Accounting Standard - AS 17 "Segment Reporting".
- 4 The above unaudited financial results have been reviewed by the statutory auditors of the Company pursuant to regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.
- 5 The Board of Directors of the Company ("Board") at their meeting held on November 4, 2016, have considered and approved a draft Scheme of Amalgamation and Arrangement between Neuland Laboratories Limited ("the Company") and Neuland Health Sciences Private Limited ("NHSPL") and Neuland Pharma Research Private Limited ("NPRPL") and their respective Shareholders and Creditors, in accordance with the provisions of the Companies Act, 2013 ("The Act"). Pursuant to the said scheme, the entire business undertaking of NHSPL and NPRPL will be transferred to the Company with effect from the appointed date of April 1, 2016.

The scheme shall involve exchange of the Company's equity shares on the basis of swap ratio, duly determined by Independent Valuation Experts as under-
(i) 552 equity shares of the Company of ₹10/- each fully paid-up for every 1,000 equity shares of NHSPL of ₹10/- each fully paid-up, based on the subdivision of Share Capital of NHSPL of ₹1,243.00 lakhs consisting of 12,429,520 equity shares of ₹10/- each fully paid up.
(ii) 410 equity shares of the Company of ₹10/- each fully paid-up for every 100 equity shares of NPRPL of ₹10/- each fully paid-up.

The Scheme is subject to requisite approvals, sanctions, consents, observations, no objection from the Shareholders, Creditors of the Company, Stock Exchanges or any other statutory authority, as may be required, and final approval by the National Company Law Tribunal, Hyderabad, which is currently under process.
- 6 Previous period figures have been re-grouped/reclassified wherever necessary, to confirm to the current period's classification.

By Order of the Board
For Neuland Laboratories Limited



Dr. D.R. Rao
Chairman & Managing Director
(DIN 00107737)

Place: Hyderabad

Date: February 10, 2017