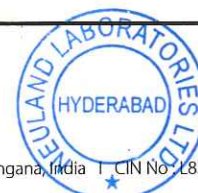


UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2014

PART - I

Amount in ₹ Lacs

Sl. No.	Particulars	Quarter Ended 31.12.2014 (Unaudited)	Quarter Ended 30.09.2014 (Unaudited)	Quarter Ended 31.12.2013 (Unaudited)	Nine Months Ended 31.12.2014 (Unaudited)	Nine Months Ended 31.12.2013 (Unaudited)	Year Ended 31.03.2014 (Audited)
1	Income from Operations						
	(a) Net Sales / Income from Operations	10,195.36	11,967.51	12,863.29	32,147.66	34,739.19	45,385.01
	(b) Other Operating Income	579.47	163.72	219.49	1,025.85	903.89	1,184.32
	Total Income from Operations (Net)	10,774.83	12,131.23	13,082.78	33,173.51	35,643.08	46,569.33
2	Expenses						
	(a) Consumption of Raw Materials	6,807.31	6,928.51	6,484.06	20,104.05	18,658.09	24,644.22
	(b) Changes in inventories of finished goods and work in process	(1,895.76)	(102.59)	313.65	(2,920.70)	361.44	12.80
	(c) Employee Benefit Expense	1,238.55	1,227.59	827.76	3,520.58	2,682.84	3,625.51
	(d) Depreciation	389.90	389.90	367.48	1,169.70	1,103.72	1,493.86
	(e) Manufacturing Expenses	1,455.88	1,600.09	1,369.94	4,297.48	3,529.41	4,842.24
	(f) Other Expenses	1,827.62	938.76	2,226.99	3,931.55	5,175.76	6,506.06
	Total Expenses	9,823.50	10,982.26	11,539.88	30,102.66	31,511.26	41,124.69
3	Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	951.33	1,148.97	1,492.90	3,070.85	4,131.82	5,444.64
4	Other Income	88.33	231.70	72.01	393.47	225.39	341.48
5	Profit from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	1,039.66	1,380.67	1,564.91	3,464.32	4,357.21	5,786.12
6	Finance Costs	676.78	629.89	595.20	1,874.49	1,815.94	2,363.76
7	Profit from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	362.88	750.78	969.71	1,589.83	2,541.27	3,422.36
8	Exceptional Items (Refer Note 3)	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7-8)	362.88	750.78	969.71	1,589.83	2,541.27	3,422.36
10	Tax Expense						
	(a) Current tax	86.01	178.60	207.90	368.51	526.10	716.70
	(b) Deferred Tax	(66.48)	164.65	286.94	272.00	733.33	755.61
	(c) MAT Credit entitlement	150.99	(107.21)	(207.90)	(60.12)	(526.10)	(716.70)
11	Net Profit from Ordinary Activities after Tax (9-10)	192.36	514.74	682.77	1,009.44	1,807.94	2,666.75
12	Extraordinary Items	-	-	-	-	-	-
13	Net Profit for the period (11-12)	192.36	514.74	682.77	1,009.44	1,807.94	2,666.75
14	Paid-up Equity Share Capital (Face Value ₹10 per share)	895.39	772.86	771.56	895.39	771.56	772.63
15	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year						11,392.57
16	Earnings per Share (EPS) (in ₹)						
	(a) Basic	2.21	6.21	8.24	11.97	21.83	32.16
	(b) Diluted	2.21	6.21	8.24	11.97	21.82	32.15



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PART - II

Sl. No.	Particulars	Quarter Ended 31.12.2014 (Unaudited)	Quarter Ended 30.09.2014 (Unaudited)	Quarter Ended 31.12.2013 (Unaudited)	Nine Months Ended 31.12.2014 (Unaudited)	Nine Months Ended 31.12.2013 (Unaudited)	Year Ended 31.03.2014 (Audited)
A	PARTICULARS OF SHARE HOLDING						
1	Public Shareholding						
	(a) Number of Shares	42,89,697	38,25,199	38,17,199	42,89,697	38,17,199	38,22,899
	(b) Percentage of Shareholding	48.29%	49.95%	49.93%	48.29%	49.93%	49.94%
2	Promoters and Promoter Group Shareholding						
	(a) Pledged / Encumbered						
	-Number of Shares	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000	2,00,000
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	4.35%	5.22%	5.22%	4.35%	5.22%	5.22%
	-Percentage of Shares (as a % of the total share capital of the Company)	2.25%	2.61%	2.62%	2.25%	2.62%	2.61%
	(b) Non-encumbered						
	-Number of Shares	43,93,557	36,32,779	36,27,779	43,93,557	36,27,779	36,32,779
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	95.65%	94.78%	94.78%	95.65%	94.78%	94.78%
	-Percentage of Shares (as a % of the total share capital of the Company)	49.46%	47.44%	47.45%	49.46%	47.45%	47.45%

B INVESTOR COMPLIANTS

Particulars	Quarter Ended 31.12.2014
Pending at the beginning of the quarter	0
Received during the quarter	13
Disposed off during the quarter	13
Remaining unresolved at the end of the quarter	0

NOTES:

- The above unaudited financial results which have been subjected to a Limited Review by Statutory Auditors, were reviewed by the Audit Committee at their meeting held on January 29, 2015, and approved and taken on record at the Board of Directors meeting held on January 30, 2015.
- The Company's operations 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".
- During the quarter, the Company has executed an EPC Contract of setting up of a dedicated manufacturing block in accordance with Engineering, Procurement, Construction Agreement entered with one of its customer. As per the terms of the arrangement, the cost incurred for execution of the contract aggregating to ₹1,726.64 lakhs is billed to the customer at cost. The transaction was considered as an exceptional item, owing to non-recurring nature of the transaction and the net impact of ₹Nil is disclosed under 'Exceptional Items'.
- The Management Response to the qualifications made by the Auditors of their Limited Review Report, are as under:
 - In respect of trade receivables of ₹242.21 lacs referred under Point No.3, the Management based on its assessment and ongoing relationship with the customer, considers that no provision is required as full realisation is expected shortly.
 - In respect of revenues from operations aggregating to ₹911.17 lacs referred under Point No.4, the Management has accrued the revenues based on its understanding that substantial conditions specified for recognition of revenue under Accounting Standard - AS - 9 "Revenue Recognition" have been complied with, pursuant to which, it is reasonably certain that significant risks of ownership have been transferred on or before December 31, 2014 to the customers.
- The Company has made an allotment of 12,22,272 and 2,804 equity shares of ₹ 10 each fully paid at a premium of ₹ 194 per share on October 29, 2014 and December 17, 2014 respectively on rights basis to existing share holders in the ratio of 4 shares for every 25 shares held. Consequently, the share capital of the Company and the securities premium account has increased by ₹ 122.53 lacs and ₹ 2,377.04 lacs respectively. Details of utilisation of the proceeds from the Rights Issue of ₹ 2,499.56 lacs is as follows:

Particulars	Amount in ₹ Lacs	
	Proposed	Actual
Incremental Working Capital Requirement	2,395.90	2,409.83
Issue Expenses	103.66	89.73
Total	2,499.56	2,499.56

The issue expenses of ₹ 89.73 lacs has been adjusted to the securities premium account during the quarter.

- EPS for the quarters are not annualized. EPS for all the reported periods has been recomputed to adjust for the bonus element of rights issue in accordance with the provisions of AS 20 - Earnings per Share.
- In accordance with the requirements of Schedule II of the Companies Act, 2013, the Company has re-assessed the useful lives and residual value of the fixed assets and:
 - An amount of ₹98.84 lacs has been adjusted to the opening balance of Reserves & Surplus in respect of those assets where the useful life exhausted as at April 1, 2014
 - The profit for the quarter and nine months has decreased by ₹11.99 lacs and ₹35.97 lacs on account higher depreciation due to application of Schedule II.
- Previous quarter / year numbers have been regrouped wherever necessary.

By Order of the Board
For Neuland Laboratories Limited



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

Place: Hyderabad
Date: January 30, 2015