

**NEULAND LABORATORIES LIMITED**

Sanali Info Park, 'A' Block, Ground Floor, 8-2-120/113, Road No. 2, Banjara Hills, Hyderabad - 500034

**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	<b>Income from Operations</b>						
	(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
	<b>Total Income from Operations (Net)</b>	<b>13,243.38</b>	<b>14,958.87</b>	<b>12,302.98</b>	<b>43,178.85</b>	<b>37,493.25</b>	<b>50,997.01</b>
2	<b>Expenses</b>						
	(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
	<b>Total Expenses</b>	<b>12,199.27</b>	<b>12,891.94</b>	<b>10,790.91</b>	<b>38,047.65</b>	<b>32,688.47</b>	<b>44,584.30</b>
3	<b>Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>1,044.11</b>	<b>2,066.93</b>	<b>1,512.07</b>	<b>5,131.20</b>	<b>4,804.78</b>	<b>6,412.71</b>
4	Other Income	24.66	(5.54)	38.24	67.82	88.81	161.91
5	<b>Profit/(loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>1,068.77</b>	<b>2,061.39</b>	<b>1,550.31</b>	<b>5,199.02</b>	<b>4,893.59</b>	<b>6,574.62</b>
6	Finance Costs	479.63	522.42	636.42	1,611.73	1,918.31	2,446.60
7	<b>Profit/(loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>589.14</b>	<b>1,538.97</b>	<b>913.89</b>	<b>3,587.29</b>	<b>2,975.28</b>	<b>4,128.02</b>
8	Exceptional Items	-	-	-	-	-	-
9	<b>Profit/(loss) from ordinary activities before tax (7-8)</b>	<b>589.14</b>	<b>1,538.97</b>	<b>913.89</b>	<b>3,587.29</b>	<b>2,975.28</b>	<b>4,128.02</b>
10	Tax expense	207.89	500.10	286.24	1,196.04	997.16	1,486.54
11	<b>Net profit/(loss) from ordinary activities after tax (9-10)</b>	<b>381.25</b>	<b>1,038.87</b>	<b>627.65</b>	<b>2,391.25</b>	<b>1,978.12</b>	<b>2,641.48</b>
12	Extraordinary items	-	-	-	-	-	-
13	<b>Net profit/(loss) for the period (11-12)</b>	<b>381.25</b>	<b>1,038.87</b>	<b>627.65</b>	<b>2,391.25</b>	<b>1,978.12</b>	<b>2,641.48</b>
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	<b>Earnings Per Share (before extraordinary items) (of ₹10 each) (In absolute ₹)</b>						
	(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	<b>Earnings Per Share (after extraordinary items) (of ₹10 each) (In absolute ₹)</b>						
	(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