

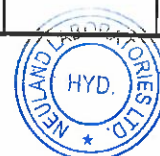
NEULAND LABORATORIES LIMITED

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

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2018

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2018 (Unaudited)	31.03.2018 (Audited) [Refer note 4 (ii)]	30.06.2017 (Unaudited) [Refer note 4 (i)]	31.03.2018 (Audited)
1	Revenue				
	(a) Revenue from operations	15,395.75	16,022.62	11,715.67	52,916.15
	(b) Other income	111.37	29.05	255.97	453.45
	Total Income	15,507.12	16,051.67	11,971.64	53,369.60
2	Expenses				
	(a) Cost of materials consumed	9,185.50	7,951.45	5,979.98	28,109.42
	(b) Excise duty	-	-	175.47	175.47
	(c) Changes in inventories of finished goods and work-in-progress	(512.84)	73.82	(1,075.34)	(4,272.41)
	(d) Employee benefits expense	2,556.77	2,249.59	2,352.04	9,572.79
	(e) Finance costs	388.06	487.80	451.30	1,892.13
	(f) Depreciation and amortisation expense	566.07	560.97	525.55	2,210.35
	(g) Manufacturing expenses	1,820.67	2,013.10	2,136.27	8,149.10
	(h) Other expenses	1,447.88	1,855.75	1,340.58	6,178.72
	Total Expenses	15,452.11	15,192.48	11,885.85	52,015.57
3	Profit before tax (1-2)	55.01	859.19	85.79	1,354.03
4	Tax expense				
	(a) Current tax	38.08	86.22	58.37	422.91
	(b) Deferred tax benefit	(24.33)	(32.32)	(37.69)	(249.70)
5	Profit for the period / year (3-4)	41.26	805.29	65.11	1,180.82
6	Other comprehensive income (net of taxes)				
	(a) Items that will not be reclassified to profit or loss				
	(i) Re-measurement gains/(losses) on defined benefit plans	6.82	52.77	(8.49)	27.28
	(ii) Equity instruments through other comprehensive income	(0.78)	1.70	-	1.70
	Tax on items that will not be reclassified to profit or loss	(2.36)	(18.26)	2.94	(9.44)
	Total comprehensive income	44.94	841.50	59.56	1,200.36
7	Paid-up Equity Share Capital (Face value - ₹10 each)	1,290.05	895.49	895.49	895.49
8	Other equity				23,497.52
9	Equity suspense account				31,084.99
10	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)				
	(a) Basic (refer note 4(iii))	0.35	7.22	0.58	10.59
	(b) Diluted (refer note 4(iii))	0.35	7.22	0.58	10.59
	See accompanying notes to the financial results				



NOTES:

- 1 The financial results for the quarter ended 30 June 2018, have been reviewed by the Audit Committee in their meeting held on 9 August 2018, approved by the Board of Directors at their meeting held on 10 August 2018.
- 2 The operations of the Company are predominantly related to the manufacture of active pharmaceutical ingredients and allied services. As such there is only one primary reportable segment as per Ind AS 108 "Operating Segments".
- 3 The Company has adopted Ind AS 115 - Revenue from Contracts with Customers, using modified retrospective application method with effect from 1 April 2018 and accordingly these financial results are prepared in accordance with the recognition and measurement principles laid down in Ind AS 115. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results of the Company.
- 4 (i) In view of the amalgamation of erstwhile Neuland Health Sciences Private Limited ("NHSPL") and Neuland Pharma Research Private Limited ("NPRPL") (collectively referred as "Transferor Companies") with Neuland Laboratories Limited ("the Company" or "NLL"), pursuant to the Scheme of Amalgamation and Arrangement (the "Scheme") duly approved by the Hon'ble National Company Law Tribunal ("NCLT"), Hyderabad Bench vide their order dated 21 March 2018 with the appointed date of 1 April 2016, for the purpose of these financial results, the figures disclosed for the quarter ended 30 June 2017 have been arrived on the basis of an aggregation of separate results of the Company and the unaudited financial results of the transferor companies for period ended 30 June 2017.
(ii) The figures for the quarter ended 31 March 2018 being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2018 and the unaudited year to date figures up to the nine months ended 31 December 2017 (arrived on the basis as explained in (i) above).
(iii) During the quarter ended 30 June 2018, 68,61,243 equity shares of ₹10 each have been allotted to the shareholders of the Transferor Companies pursuant to the Scheme after cancellation of cross holding of 45,90,608 equity shares and 4,99,965 equity shares in NLL and NPRPL respectively held by NHSPL. Net increase in the paid-up share capital on this account (i.e., 22,70,635 equity shares of ₹10 each) has been considered for the purpose of computation of basic and diluted earnings per equity share for all the presented period(s).
- 5 In accordance with the provisions of Chapter VIII of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and pursuant to the approval accorded by the shareholders in the Extra-Ordinary General Meeting held on 11 May 2018, the Company has raised a sum of ₹12,562.50 lakhs during the current quarter by allotment of 16,75,000 equity shares of ₹10 each at a premium of ₹740 per share through a Qualified Institutional Placement process.
- 6 EPS for the quarters is not annualized.
- 7 Post implementation of Goods and Services Tax ("GST") in India with effect from 1 July 2017, revenues are disclosed net of GST. Revenues for the period prior to 1 July 2017 included excise duty which is now subsumed in the GST. Accordingly, revenues for the quarter ended 30 June 2018 and 31 March 2018 is not comparable with those for the quarter ended 30 June 2017.

By Order of the Board
For Neuland Laboratories Limited



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



Place: Hyderabad
Date: 10 August 2018