

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

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NEULAND LABORATORIES LIMITED
Sanali 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 AND HALF YEAR ENDED 30 SEPTEMBER 2018

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2018 (Unaudited)	30.06.2018 (Unaudited)	30.09.2017 (Unaudited) [Refer note 4 (i)]	30.09.2018 (Unaudited)	30.09.2017 (Unaudited)	31.03.2018 (Audited)
1	Revenue						
	(a) Revenue from operations	16,874.08	15,395.75	12,991.46	32,269.93	24,707.13	52,916.15
	(b) Other income	63.85	111.37	41.49	175.22	297.46	453.45
	Total Income	16,937.93	15,507.12	13,032.95	32,445.05	25,004.59	53,369.60
2	Expenses						
	(a) Cost of materials consumed	9,351.40	9,185.50	7,143.67	18,536.90	13,123.65	28,109.42
	(b) Excise duty	-	-	-	-	175.47	175.47
	(c) Changes in inventories of finished goods and work-in-progress	171.51	(512.84)	(1,640.21)	(341.33)	(2,715.55)	(4,272.41)
	(d) Employee benefits expense	2,475.62	2,556.77	2,493.61	5,032.39	4,845.65	9,572.79
	(e) Finance costs	407.26	388.06	497.45	795.32	948.75	1,892.13
	(f) Depreciation and amortisation expense	591.64	566.07	554.15	1,157.71	1,079.70	2,210.35
	(g) Manufacturing expenses	1,889.46	1,820.67	2,119.14	3,710.13	4,255.41	8,140.10
	(h) Other expenses	1,521.17	1,447.88	1,474.75	2,969.05	2,815.32	6,178.72
	Total expenses	16,408.06	15,452.11	12,642.56	31,800.17	24,528.41	52,015.57
3	Profit before tax (1-2)	529.87	55.01	390.39	584.88	476.18	1,354.03
4	Tax expense						
	(a) Current tax	144.72	38.08	194.83	182.80	379.58	422.91
	(b) Deferred tax benefit	(54.98)	(24.33)	(44.50)	(79.31)	(205.30)	(249.70)
5	Profit for the period / year (3-4)	440.13	41.26	240.06	481.39	301.90	1,104.33
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	65.25	6.82	(8.49)	72.07	(16.98)	27.28
	(ii) Equity instruments through other comprehensive income	(0.85)	(0.78)	-	(1.63)	-	1.70
	Tax on items that will not be reclassified to profit or loss	(22.58)	(2.36)	2.94	(24.94)	5.88	(9.44)
	Total comprehensive income	481.95	44.94	234.51	526.89	290.80	1,200.36
7	Paid-up Equity Share Capital (Face value - ₹10 each)	1,290.05	1,290.05	895.49	1,290.05	895.49	895.49
8	Other equity						23,497.51
9	Equity suspense account						31,084.99
10	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)						
	(a) Basic (refer note 4(ii))	3.43	0.35	2.15	3.90	2.71	10.59
	(b) Diluted (refer note 4(ii))	3.43	0.35	2.15	3.90	2.71	10.59
	See accompanying notes to the financial results						

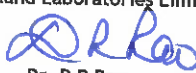


NOTES:

- 1 The financial results for the quarter and half year ended 30 September 2018, have been reviewed by the Audit Committee in their meeting held on 1 November 2018, approved by the Board of Directors at their meeting held on 2 November 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 and half year ended 30 September 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 quarter and half year ended 30 September 2017.
(ii) During the period 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 EPS for the quarters are not annualized.
 - 6 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 half year ended 30 September 2018 is not comparable with those for the half year ended 30 September 2017.

Place: Hyderabad
Date: 2 November 2018

By Order of the Board
For Neuland Laboratories Limited


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



NEULAND LABORATORIES LIMITED
Statement of Assets and Liabilities

(Amount in lakhs of ₹, unless otherwise stated)

	30 September 2018	31 March 2018
	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	23,115.99	16,376.23
Capital work in progress	8,174.10	12,609.45
Investment property	2,981.39	2,981.39
Goodwill	27,946.10	27,946.10
Other intangible assets	180.53	178.44
Financial assets		
(i) Investments	54.21	55.84
(ii) Loans	309.66	302.26
Non-current tax assets	950.59	931.56
Other non-current assets	1,422.58	1,040.23
Total non-current assets	65,135.15	62,421.50
Current assets		
Inventories	20,682.41	17,508.79
Financial Assets		
(i) Investments	750.00	750.00
(ii) Trade receivables	18,323.49	12,392.27
(iii) Cash and cash equivalents	694.07	308.46
(iii) Other bank balances	3,036.40	1,396.81
(v) Other financial assets	564.97	395.64
Other current assets	4,757.64	4,920.97
Total current assets	48,808.98	44,672.94
Total assets	113,944.13	107,094.44
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,290.05	895.49
Other equity	67,177.43	23,497.51
Equity suspense account	-	31,084.99
Total equity	68,467.48	55,477.99
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	6,959.21	10,348.82
Provisions	1,044.31	987.00
Deferred tax liabilities	1,160.06	1,214.43
Other non-current liabilities	2,028.00	2,028.00
Total non-current liabilities	11,191.58	14,578.25
Current liabilities		
Financial liabilities		
(i) Borrowings	13,889.14	19,920.29
(ii) Trade payables	15,363.27	12,901.23
(iii) Other financial liabilities	3,879.99	2,950.65
Other current liabilities	1,040.28	1,106.57
Provisions	112.39	159.46
Total current liabilities	34,285.07	37,038.20
Total equity and liabilities	113,944.13	107,094.44

