



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

Tel: 040 30211600 / 23551081
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Email: neuland@neulandlabs.com
www.neulandlabs.com

August 4, 2020

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

To
The National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex
Bandra (E), Mumbai - 400 001

Scrip Code: 524558

Scrip Code: NEULANDLAB; Series: EQ

Dear Sirs,

Sub: Outcome of Board Meeting

Ref: Disclosure under Regulation 30 & 33 of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015

Please find enclosed the Unaudited Financial Results (Standalone & Consolidated) of the Company for the quarter ended June 30, 2020, which have been approved and taken on record at a meeting of the Board of Directors of the Company held on even date. The Limited Review Report on the unaudited financial results for the said quarter, is also enclosed herewith.

Further, the Board has also, inter alia, approved the following:

- Re-designation of Dr. Davuluri Rama Mohan Rao as Executive Chairman of the Company, subject to the approval of the shareholders.
- Re-designation of Mr. Davuluri Saharsh Rao as the Vice Chairman & Managing Director, subject to the approval of the shareholders. In addition, Mr. Davuluri Saharsh Rao shall be the Interim Chief Financial Officer of the Company from August 4, 2020 till Sept. 23, 2020.
- Appointment of Mr. Deepak Gupta as the Chief Financial Officer with effect from September 24, 2020.

Mr.D.Sucheth Rao shall continue to be the Vice Chairman & Chief Executive Officer of the Company.


Brief Profiles of Mr.D.Saharsh Rao and Mr.Deepak Gupta are enclosed, pursuant to Regulation 30 of SEBI Listing Regulations, 2015.

The meeting of the Board of Directors commenced at 11:30 am and concluded at 1:00 pm.

This is for your information and records.

Yours faithfully,

For Neuland Laboratories Limited


Sarada Bhamidipati
Company Secretary
Encl: as above





& Associates

Chartered Accountants

1101/B, Manjeera Trinity Corporate,
JNTU-Hitech City Road, Kukatpally,
Hyderabad-500072, Telangana, INDIA
Tel: +91 40 6814 2999

Independent Auditor's Review Report on the quarterly unaudited standalone financial results of Neuland Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Neuland Laboratories Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Neuland Laboratories Limited ('the Company') for the quarter ended June 30, 2020 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
2. This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 financial results are free of material misstatements. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W


Amit Kumar Agarwal
Partner
Membership No. 214198



UDIN: 20214198AAAADY2517
Place: Hyderabad, INDIA
Date: August 04, 2020



Neuland Laboratories Limited
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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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER 30 JUNE 2020

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended		Year Ended	
		30.06.2020 (Unaudited)	31.03.2020 (Unaudited) (Refer Note 5)	30.06.2019 (Unaudited)	31.03.2020 (Audited)
1	Revenue				
	(a) Revenue from operations	20,542.38	19,186.59	18,100.75	76,271.08
	(b) Other Income	69.74	177.60	51.77	388.57
	Total Income	20,612.12	19,364.19	18,152.52	76,659.65
2	Expenses				
	(a) Cost of materials consumed	10,207.78	8,898.58	8,572.48	39,135.59
	(b) Changes in inventories of finished goods and work-in-progress	(66.64)	(290.72)	1,413.46	(1,115.75)
	(c) Employee benefits expense	3,307.02	3,181.59	2,833.12	11,848.19
	(d) Finance costs	536.87	706.89	402.76	2,157.14
	(e) Depreciation and amortisation expense	886.14	762.51	755.31	3,127.63
	(f) Manufacturing expenses	2,315.63	2,834.63	1,993.06	9,759.63
	(g) Other expenses	1,404.92	1,563.03	1,431.80	6,497.64
	Total expenses	18,591.72	17,656.51	17,401.99	71,410.07
3	Profit before tax (1-2)	2,020.40	1,707.68	750.53	5,249.58
4	Tax expense				
	(a) Current tax	-	(839.93)	197.74	-
	(b) Deferred tax	514.72	3,482.61	(8.60)	3,661.57
5	Profit for the period / year (3-4)	1,505.68	(935.00)	561.39	1,588.01
6	Other comprehensive income (net of taxes)				
	(a) Items that will not be reclassified to profit or loss				
	Re-measurement gains/(losses) on defined benefit plans	(24.94)	38.33	5.77	(99.76)
	Equity instruments through other comprehensive income	2.51	(4.58)	0.91	(4.09)
	Tax on items that will not be reclassified to profit or loss	6.28	(23.14)	(2.02)	25.11
	Total comprehensive income	1,489.53	(924.40)	566.05	1,509.27
7	Paid-up Equity Share Capital (Face value - ₹10 each)	1,290.05	1,290.05	1,290.05	1,290.05
8	Other equity (excluding revaluation reserve)				69,180.58
9	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)				
	(a) Basic (refer note 6)	11.74	(7.29)	4.38	12.38
	(b) Diluted (refer note 6)	11.74	(7.29)	4.38	12.38
	See accompanying notes to the financial results				



NOTES:

- 1 The financial results for the quarter ended 30th June 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 4 August 2020.
- 2 The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The operations of the Company are predominantly related to the manufacture and sale of active pharmaceutical ingredients and allied services. As such there is only one primary reportable segment as per Ind AS 108 "Operating Segments".
- 4 The Company has evaluated the impact of the pandemic on all aspects of its business, including impact on customers, employees, vendors and business partners. The Company has taken several business continuity measures including transport for factory employees, work from home, following the social distancing norms. The Company has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of goodwill, investments, inventory, based on the information available to date, both internal and external, while preparing the its financial results for the quarter ended 30th June, 2020. Based on the assessment done by the management of the Company, there is no significant/material impact of COVID-19 on the results for the quarter ended June 30, 2020. The Company has been closely monitor any material changes to future economic conditions.
- 5 The figures for the quarter ended 31st March 2020 are the balancing figures between audited figures in respect of the full financial year ended 31st March 2020 and the published year to date figures up to the third quarter ended 31st December 2019.
- 6 The EPS for quarters has not been annualised.
- 7 The previous period figures have been regrouped/rearranged wherever necessary to make it comparable with the current period.

Place: Hyderabad
Date: 04 August 2020

For Neuland Laboratories Limited



Dr. D.R. Rao

Chairman and Managing Director
(DIN 00107737)

HYDERABAD



& Associates

Chartered Accountants

1101/B, Manjeera Trinity Corporate,
JNTU-Hitech City Road, Kukatpally,
Hyderabad-500072, Telangana, INDIA
Tel: +91 40 6814 2999

Independent Auditor's Review Report on the quarterly unaudited consolidated financial results of Neuland Laboratories Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
Neuland Laboratories Limited

1. We have reviewed the accompanying statement of consolidated unaudited financial results of Neuland Laboratories Limited ('the Holding Company'), its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group') for the quarter ended June 30, 2020 ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Regulation').
2. This Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 'Interim Financial Reporting' ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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 financial results are free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.
5. The Statement includes the results of the following entities:

Sr. No.	Name of the Company	Relationship with the Holding Company
1	Neuland Laboratories K.K., Japan	Wholly Owned Subsidiary
2	Neuland Laboratories Inc., USA	Wholly Owned Subsidiary



& Associates

Chartered Accountants

1101/B, Manjeera Trinity Corporate,
JNTU-Hitech City Road, Kukatpally,
Hyderabad-500072, Telangana, INDIA
Tel: +91 40 6814 2999

6. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the Regulation including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. The consolidated unaudited financial results includes the interim financial information of two subsidiaries (mentioned in paragraph 5 above) which have not been reviewed or audited by their auditors, whose interim financial information reflect total revenue (before consolidation adjustments) of Rs. 225.15 lakhs and total profit after tax (before consolidation adjustments) of Rs. 10.73 lakhs for the quarter ended June 30, 2020, respectively, as considered in the statement. According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Amit Kumar Agarwal
Partner
Membership No. 214198



UDIN: 20214198AAAADZ1233
Place: Hyderabad, INDIA
Date: August 04, 2020

NEULAND LABORATORIES LIMITED
Sanali Info Park, 'A' Block, Ground Floor, 8-2-120/113,
Road No. 2, Banjara Hills, Hyderabad - 500034
STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2020

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2020 (Unaudited)	31.03.2020 (Unaudited) (Refer Note 6)	30.06.2019 (Unaudited)	31.03.2020 (Audited)
1	Revenue				
	(a) Revenue from operations	20,542.38	19,164.19	18,100.75	76,271.08
	(b) Other income	69.74	177.62	51.77	388.59
	Total Income	20,612.12	19,341.81	18,152.52	76,659.67
2	Expenses				
	(a) Cost of materials consumed	10,207.78	8,898.59	8,572.48	39,135.59
	(b) Changes in inventories of finished goods and work-in-progress	(66.64)	(290.72)	1,413.46	(1,115.75)
	(c) Employee benefits expense	3,463.15	3,299.95	2,962.26	12,355.52
	(d) Finance costs	536.88	706.95	402.87	2,157.35
	(e) Depreciation and amortisation expense	886.24	762.60	755.40	3,128.01
	(f) Manufacturing expenses	2,315.63	2,834.63	1,993.05	9,759.63
	(g) Other expenses	1,238.06	1,410.01	1,293.15	5,947.07
	Total expenses	18,581.10	17,622.01	17,392.67	71,367.42
3	Profit before tax (1-2)	2,031.02	1,719.80	759.85	5,292.25
4	Tax expense				
	(a) Current tax	-	(833.24)	197.74	9.63
	(b) Deferred tax	514.72	3,482.61	(8.60)	3,661.57
5	Profit for the period / year (3-4)	1,516.30	(929.57)	570.71	1,621.05
6	Other comprehensive income (net of taxes)				
	(a) Items that will not be reclassified to profit or loss				
	Re-measurement gains/(losses) on defined benefit plans	(24.94)	38.33	5.77	(99.76)
	Equity Instruments through other comprehensive income	2.51	(4.58)	0.91	(4.09)
	Tax on items that will not be reclassified to profit or loss	6.28	(23.14)	(2.02)	25.11
	(b) Items to be reclassified to profit or loss				
	Exchange differences in translating the financial statements of a foreign operations	21.01	24.46	5.94	35.34
	Total comprehensive income	1,521.16	(894.50)	581.31	1,577.65
7	Paid-up Equity Share Capital (Face value - ₹10 each)	1,290.05	1,290.05	1,290.05	1,290.05
8	Other equity (excluding revaluation reserve)				69,621.83
9	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)				
	(a) Basic (refer note 7)	11.82	(7.25)	4.45	12.63
	(b) Diluted (refer note 7)	11.82	(7.25)	4.45	12.63
	See accompanying notes to the financial results				



NOTES:

- 1 The financial results for the quarter ended 30th June 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 04th August 2020.
- 2 The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The Consolidated Financial Results include results of the following wholly owned subsidiaries:
(a) Neuland Laboratories Inc., USA;
(b) Neuland Laboratories KK., Japan.
- 4 The operations of the Company and its subsidiaries are predominantly related to the manufacture and sale of active pharmaceutical ingredients and allied services. As such there is only one primary reportable segment as per Ind AS 108 "Operating Segments".
- 5 The Group has evaluated the impact of the pandemic on all aspects of its business, including impact on customers, employees, vendors and business partners. The Group has taken several business continuity measures including transport for factory employees, work from home, following the social distancing norms. The Group has exercised due care, in concluding on significant accounting judgements and estimates, inter-alia, recoverability of receivables, assessment for impairment of goodwill, investments, inventory, based on the information available to date, both internal and external, while preparing the its financial results for the quarter ended 30th June, 2020. Based on the assessment done by the management, there is no significant/material impact of COVID-19 on the results for the quarter ended June 30, 2020. The Group has been closely monitor any material changes to future economic conditions.
- 6 The figures for the quarter ended 31st March, 2020 are the balancing figures between the audited figures in respect of the full financial year and the published figures upto nine months of the relevant financial year.
- 7 The EPS for quarters has not been annualised.
- 8 The previous quarter's/year's figures have been regrouped/rearranged wherever necessary to make it comparable with the current quarter/period.

Place: Hyderabad
Date: 04 August 2020

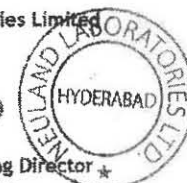
For Neuland Laboratories Limited



Dr. D R Rao

Chairman and Managing Director *

(DIN 00107737)



Disclosure pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to change in Key Managerial Personnel

I. Brief profile of Mr. D. Saharsh Rao

Reason for change viz. appointment/resignation/removal/ death or otherwise	Mr. Davuluri Saharsh Rao shall be the Interim Chief Financial Officer of the Company, in addition to his current role as Joint Managing Director ¹
Date of appointment/ cessation (as applicable) & term of appointment;	Effective August 4, 2020 till September 23, 2020.
Brief Profile (in case of appointment)	Mr. Davuluri Saharsh Rao is an Electrical Engineering Graduate and obtained his Masters' in Management Information Systems from Weatherhead School of Management, Cleveland, Ohio, U.S.A. He also secured Master of Business Administration from University of North Carolina, U.S.A. He has worked in the past with Sify Limited in various roles in the Sales organization. Mr. Davuluri Saharsh Rao spent some time with a venture fund focused on Lifesciences in the Research Triangle.
Disclosure of relationships between directors (in case of appointment of a director)	Mr. Davuluri Saharsh Rao is the son of Dr. Davuluri Rama Mohan Rao, Chairman and Managing Director ² and brother of Mr. Davuluri Sucheth Rao, Vice Chairman & Chief Executive Officer.

¹ Re-designated as Vice Chairman & Managing Director in the Board Meeting held on August 4, 2020, subject to the approval of shareholders.

² Re-designated as Executive Chairman in the Board Meeting held on August 4, 2020, subject to the approval of shareholders

II. Brief profile of Mr. Deepak Gupta

Reason for change	Appointment
Date of appointment/ cessation (as applicable) & term of appointment;	With effect from September 24, 2020
Brief Profile (in case of appointment)	<p>Mr. Deepak Gupta is currently with Indo Nissin Foods, the Indian subsidiary of diversified Japanese food maker Nissin Food Holdings co. Ltd., where he has served as Chief Financial Officer, driving its financial strategy and performance since 2017.</p> <p>Prior to Indo Nissin, Deepak has served over eleven years with Coca Cola India in several leadership capacities and worked with Nestle India Limited before joining Coca Cola India.</p> <p>Deepak has more than twenty-one years of experience and is a Chartered Accountant and holds a bachelor's degree in Commerce from Delhi University.</p>
Disclosure of relationships between directors (in case of appointment of a director)	N.A.

