

August 13, 2019

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

Scrip Code: 524558

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

**Scrip Code: NEULANLAB
Series: EQ**

Dear Sirs,

**Outcome of Board Meeting
Compliance with Regulation 33 of SEBI (Listing Obligations & Disclosure
Requirements), Regulations, 2015**

This is to inform you that the Board of Directors, at their meeting held on even date, had approved the Unaudited Financial Results (standalone & consolidated) for the quarter ended June 30, 2019 and the limited review thereon by the auditors.

The said financial results and a copy of the limited review reports (standalone & consolidated) by the Statutory auditors of the Company for the quarter ended June 30, 2019, are enclosed herewith.

The meeting of the Board of Directors commenced at 2.00 pm and concluded at 4.20 pm

This is for your information and records.

Yours faithfully,
For Neuland Laboratories Limited


Sarada Bhamidipati
Company Secretary



Encl: as above

Independent Auditor's Review Report on Consolidated Unaudited Quarterly financial results of the Group, pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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, 2019 ('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'). Attention is drawn to the fact that the figures for the corresponding quarter ended March 31, 2019 and quarter ended June 30, 2018, as reported in these consolidated unaudited financial results have been approved by the Holding Company's Board of Directors but have not been subjected to review.
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:

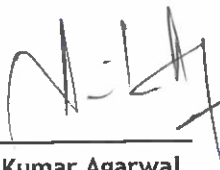
Sr. No.	Name of the Company	Relationship with the Holding Company
1	Neuland Laboratories K.K., Japan	Wholly Owned Subsidiary
2	Neuland Laboratories Inc., USA	Wholly Owned Subsidiary



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 results of two subsidiaries (mentioned in paragraph 5 above) which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 214.87 lakhs, total net profit after tax of Rs. 9.32 lakhs and total comprehensive income is Rs. Nil for the quarter ended June 30, 2019, respectively. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

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



Amit Kumar Agarwal
Partner
Membership No: 214198



Date: August 13, 2019
Place: Hyderabad
UDIN: 19214198AAAAAC9270

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 2019

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended		Year Ended	
		30.06.2019 (Unaudited)	31.03.2019 (Unaudited)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1	Revenue				
	(a) Revenue from operations	18,100.75	17,266.17	15,395.75	66,682.95
	(b) Other income	51.77	133.41	111.37	349.20
	Total Income	18,152.52	17,399.58	15,507.12	67,032.15
2	Expenses				
	(a) Cost of materials consumed	8,572.48	8,897.91	9,185.50	36,044.19
	(b) Changes in inventories of finished goods and work-in-progress	1,413.46	208.94	(512.84)	580.08
	(c) Employee benefits expense	2,962.26	2,848.18	2,711.08	11,045.60
	(d) Finance costs	402.87	471.16	388.36	1,566.31
	(e) Depreciation and amortisation expense	755.40	693.16	566.07	2,586.26
	(f) Manufacturing expenses	1,993.05	2,028.02	1,820.67	7,691.36
	(g) Other expenses	1,293.15	1,434.57	1,277.72	5,484.62
	Total expenses	17,392.67	16,581.94	15,436.56	64,998.42
3	Profit before tax (1-2)	759.85	817.64	70.56	2,033.73
4	Tax expense				
	(a) Current tax	197.74	215.17	38.08	556.96
	(b) Deferred tax benefit	(8.60)	(61.18)	(24.33)	(167.39)
5	Profit for the period / year (3-4)	570.71	663.65	56.81	1,644.16
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	5.77	(85.02)	6.82	23.08
	Equity instruments through other comprehensive income	0.91	0.95	(0.78)	(0.09)
	Tax on items that will not be reclassified to profit or loss	(2.02)	29.42	(2.36)	(7.99)
	(b) Items to be reclassified to profit or loss				
	Exchange differences in translating the financial statements of a foreign operations	5.94	2.00	12.48	16.77
	Total comprehensive income	581.31	611.00	72.97	1,675.93
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				68,640.73
9	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)				
	(a) Basic (refer note 7)	4.45	5.17	0.44	12.83
	(b) Diluted (refer note 7)	4.45	5.17	0.44	12.83

See accompanying notes to the financial results

NOTES:

- 1 The financial results for the quarter ended 30 June 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 13 August 2019.
- 2 The above consolidated financial results have been prepared in accordance with principles and procedures as set out in IND AS 110 on "Consolidated financial statements" notified under Section 133 of Companies Act, 2013 and Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 3 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".
- 4 The Company has adopted IND AS 116 "Leases" effective 1st April 2019, as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standard), Amendment Rules, 2109 using the modified retrospective method. The transition resulted in recognition of Right-of-Use asset & lease liability. The effect of this adoption is insignificant on the profit for the period.
- 5 The Consolidated Financial Results include results of the following subsidiaries:
 - (a) Neuland Laboratories Inc., USA;
 - (b) Neuland Laboratories KK., Japan.
- 6 In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendments) Regulations, 2018 dated May 09, 2018 the company has prepared and published the quarterly consolidated financial results for the first time for the quarter ended June 30, 2019. Thus, the quarterly financial results reported above for the quarter ended June 30, 2018 and quarter ended March 31, 2019 were not subjected to limited review.
- 7 The EPS for quarters has not been annualised.

By Order of the Board

For Neuland Laboratories Limited



[Signature]
Dr. D. R. Rao

Chairman and Managing Director
(DIN: 00107737)

Place: Hyderabad

Date: 13 August 2019



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

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, 2019 ('the Statement') attached herewith, being submitted by the 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 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.



5. The statement of the Company for the quarter ended June 30, 2018 was reviewed on August 10, 2018 and statement of the Company for the quarter and year ended March 31, 2019 was audited on May 16, 2019, by another auditor who had expressed an unmodified opinion on those statements.

Our conclusion is not modified in respect of this matter.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No: 105047W




Amit Kumar Agarwal

Partner

Membership No: 214198

Date: August 13, 2019

Place: Hyderabad

UDIN: 19214198AAAAAB7571

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
Fax: 040 30211602
Email: neuland@neulandlabs.com
www.neulandlabs.com

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 ENDED 30 JUNE 2019

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2019 (Unaudited)	31.03.2019 (Audited) (Note 5)	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1	Revenue				
	(a) Revenue from operations	18,100.75	17,266.17	15,395.75	66,682.95
	(b) Other income	51.77	133.41	111.37	349.16
	Total Income	18,152.52	17,399.58	15,507.12	67,032.11
2	Expenses				
	(a) Cost of materials consumed	8,572.48	8,897.91	9,185.50	36,044.19
	(b) Changes in inventories of finished goods and work-in-progress	1,413.46	208.93	(512.84)	580.08
	(c) Employee benefits expense	2,833.12	2,734.29	2,556.77	10,447.48
	(d) Finance costs	402.76	471.09	388.06	1,566.31
	(e) Depreciation and amortisation expense	755.31	693.07	566.07	2,586.02
	(f) Manufacturing expenses	1,993.06	2,028.02	1,820.67	7,691.36
	(g) Other expenses	1,431.80	1,557.22	1,447.88	6,133.17
	Total expenses	17,401.99	16,590.53	15,452.11	65,048.61
3	Profit before tax (1-2)	750.53	809.05	55.01	1,983.50
4	Tax expense				
	(a) Current tax	197.74	205.08	38.08	544.35
	(b) Deferred tax benefit	(8.60)	(68.98)	(24.33)	(175.19)
5	Profit for the period / year (3-4)	561.39	672.95	41.26	1,614.34
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	5.77	(85.02)	6.82	23.08
	Equity instruments through other comprehensive income	0.91	0.95	(0.78)	(0.10)
	Tax on items that will not be reclassified to profit or loss	(2.02)	29.42	(2.36)	(7.99)
	Total comprehensive income	566.05	618.30	44.94	1,629.33
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				68,267.87
9	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)				
	(a) Basic (refer note 6)	4.38	5.25	0.35	12.83
	(b) Diluted (refer note 6)	4.38	5.25	0.35	12.83
	See accompanying notes to the financial results				



NOTES:

- 1 The financial results for the quarter ended 30 June 2019 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 13 August 2019.
- 2 The financial results of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder.
- 3 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".
- 4 The Company has adopted IND AS 116 "Leases" effective 1st April 2019, as notified by the Ministry of Corporate Affairs (MCA) vide Companies (Indian Accounting Standard), Amendment Rules, 2109 using the modified retrospective method. The transition resulted in recognition of Right-of-Use asset & lease liability. The effect of this adoption is insignificant on the profit for the period.
- 5 The figures of the quarter ended 31 March 2019 are balancing figures between audited figure in respect of the full financial year ended 31 March 2019 and the published year to date figures upto 31 December 2018, which were subjected to limited review by the statutory auditors.
- 6 The EPS for quarters has not been annualised.
- 7 Previous period figures have been regrouped/rearranged wherever considered necessary to confirm to the current year presentation.

By Order of the Board
For Neuland Laboratories Limited



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

Place: Hyderabad
Date: 13 Aug 2019

