



# NEULAND LABORATORIES LIMITED

Sanali Info Park, 'A' Block, Ground Floor, 8-2-120/113, Rd. No. 2, Banjara Hills, Hyderabad - 500 034, A.P., INDIA.

Phone : +91-40-30211600, 66518682. Fax : +91-40-30211602

E-mail : neuland@neulandlabs.com URL : www.neulandlabs.com

## UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF ENDED SEPTEMBER 30, 2012

### PART - I

Amount in ₹ Million

Sl. No.	Particulars	Quarter Ended 30.09.2012 (Unaudited)	Quarter Ended 30.06.2012 (Unaudited)	Quarter Ended 30.09.2011 (Unaudited)	Half Year Ended 30.09.2012 (Unaudited)	Half Year Ended 30.09.2011 (Unaudited)	Year Ended 31.03.2012 (Audited)
1	<b>Income from Operations</b>						
	(a) Net Sales / Income from Operations	1,178.23	1,266.04	1,226.60	2,444.27	2,263.87	4,482.34
	(b) Other Operating Income	2.23	13.95	6.42	16.18	8.75	17.00
	<b>Total Income from Operations (Net)</b>	<b>1,180.46</b>	<b>1,279.99</b>	<b>1,233.02</b>	<b>2,460.45</b>	<b>2,272.62</b>	<b>4,499.34</b>
2	<b>Expenses</b>						
	(a) Consumption of Raw Materials	762.24	752.79	795.36	1,515.03	1,542.55	2,898.63
	(b) Changes in inventories of finished goods and work in process	(73.60)	45.72	(4.39)	(27.88)	(67.01)	(51.63)
	(c) Employee Benefit Expense	85.11	85.90	64.67	171.01	130.63	307.83
	(d) Depreciation	36.35	37.26	36.74	73.61	73.26	148.91
	(e) Manufacturing Expenses	109.48	110.65	102.80	220.13	187.07	384.88
	(f) Other Expenses	141.43	107.25	126.00	248.68	211.70	427.41
	<b>Total Expenses</b>	<b>1,061.01</b>	<b>1,139.57</b>	<b>1,121.18</b>	<b>2,200.58</b>	<b>2,078.20</b>	<b>4,116.03</b>
3	<b>Profit from Operations before Foreign Exchange (gain) / loss and Finance Costs (1-2)</b>	<b>119.45</b>	<b>140.42</b>	<b>111.84</b>	<b>259.87</b>	<b>194.42</b>	<b>383.31</b>
4	Foreign Exchange (gain) / loss (Net)	2.55	21.97	37.88	24.52	34.51	48.75
5	<b>Profit from Operations before Finance Costs (3-4)</b>	<b>116.90</b>	<b>118.45</b>	<b>73.96</b>	<b>235.35</b>	<b>159.91</b>	<b>334.56</b>
6	Finance Costs	78.49	79.68	86.54	158.17	163.89	332.74
7	<b>Profit / (Loss) before Tax (5-6)</b>	<b>38.41</b>	<b>38.77</b>	<b>(12.58)</b>	<b>77.18</b>	<b>(3.98)</b>	<b>1.82</b>
8	<b>Tax Expense</b>						
	(a) Current tax	7.55	7.97	-	15.52	1.72	1.25
	(b) Deferred Tax	-	-	-	-	-	(18.50)
	(c) MAT Credit entitlement	-	-	-	-	(1.72)	(1.25)
9	<b>Net Profit / (Loss) for the period (7-8)</b>	<b>30.86</b>	<b>30.80</b>	<b>(12.58)</b>	<b>61.66</b>	<b>(3.98)</b>	<b>20.32</b>
10	Paid-up Equity Share Capital	77.16	77.16	54.67	77.16	54.67	54.67
11	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year						684.94
12	<b>Earnings per Share (EPS) (in ₹)</b>						
	(a) Basic	4.04	4.03	(2.33)	8.07	(0.74)	3.77
	(b) Diluted	4.03	4.03	(2.33)	8.06	(0.74)	3.76

*DR Rao*





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SEGMENT INFORMATION						
SEGMENT REVENUE (NET SALES)						
Particulars	Amount in ₹ Million					
	Quarter Ended 30.09.2012 (Unaudited)	Quarter Ended 30.06.2012 (Unaudited)	Quarter Ended 30.09.2011 (Unaudited)	Half Year Ended 30.09.2012 (Unaudited)	Half Year Ended 30.09.2011 (Unaudited)	Year Ended 31.03.2012 (Audited)
(a) India	323.71	338.09	239.21	661.80	432.64	842.22
(b) Other than India	854.52	927.95	987.39	1,782.47	1,831.23	3,640.12
<b>Total</b>	<b>1,178.23</b>	<b>1,266.04</b>	<b>1,226.60</b>	<b>2,444.27</b>	<b>2,263.87</b>	<b>4,482.34</b>

## PART - II

Sl. No.	Particulars	Quarter Ended 30.09.2012 (Unaudited)	Quarter Ended 30.06.2012 (Unaudited)	Quarter Ended 30.09.2011 (Unaudited)	Half Year Ended 30.09.2012 (Unaudited)	Half Year Ended 30.09.2011 (Unaudited)	Year Ended 31.03.2012 (Audited)
<b>A</b>	<b>PARTICULARS OF SHARE HOLDING</b>						
1	Public Shareholding						
	(a) Number of Shares	3,817,199	4,156,699	3,582,343	3,817,199	3,582,343	3,322,343
	(b) Percentage of Shareholding	49.93%	54.37%	66.38%	49.93%	66.38%	61.57%
2	Promoters and Promoter Group Shareholding						
	(a) Pledged / Encumbered						
	-Number of Shares	200,000	200,000	488,000	200,000	488,000	389,000
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	5.22%	5.73%	26.90%	5.22%	26.90%	18.76%
	-Percentage of Shares (as a % of the total share capital of the Company)	2.62%	2.62%	9.04%	2.62%	9.04%	7.21%
	(b) Non-encumbered						
	-Number of Shares	3,627,779	3,288,279	1,326,112	3,627,779	1,326,112	1,685,112
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	94.78%	94.27%	73.10%	94.78%	73.10%	81.24%
	-Percentage of Shares (as a % of the total share capital of the Company)	47.45%	43.01%	24.58%	47.45%	24.58%	31.23%

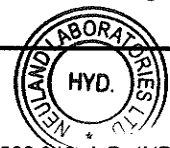
## B INVESTOR COMPLIANTS

Particulars	Quarter Ended 30.09.2012
Pending at the beginning of the quarter	0
Received during the quarter	2
Disposed of during the quarter	2
Remaining unresolved at the end of the quarter	0

## NOTES:

- The above unaudited financial results which have been subjected to a Limited Review by Statutory Auditors, were reviewed by the Audit Committee at their meeting held on November 8, 2012, and approved and taken on record at the Board of Directors meeting held on November 9, 2012.
- (a) Effective from April 1, 2012, the Company has applied hedge accounting principles in respect of forward exchange contracts as set out in Accounting Standard (AS) 30 – Financial Instruments: Recognition and Measurement, issued by the Institute of Chartered Accountants of India. Accordingly, all such contracts outstanding as on September 30, 2012 are marked to market and a notional loss aggregating to ₹ 2.76 Million arising on contracts that were designated and effective as hedges of future cash flows, has been directly recognised in the Hedging Reserve Account to be ultimately recognised in the Profit and Loss Account depending on the exchange rate fluctuation till and when the underlying forecasted transaction occurs. This treatment is different from the earlier practice of recognizing such notional loss / gain in the Profit and Loss Account on the basis of exchange rate on the reporting date.

*DR Rao*



Works : (i) Sy. No. 291, 347, 474, 490/2, Veerabhadraswamy Temple Road, Bonthapalli (V), Jinnaram (M), Medak Dist. 502 313, A.P., INDIA.  
 (ii) Plot Nos. 92,93,94,257,258,259, IDA, Pashamylaram, Isnapur, Patancheru (M), Medak Dist. 502 319, A.P., INDIA.

...yaram, Isnapur, Patancheru (M), Jinnaram (M)



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- 2(b) As a result of the change in policy as above, the profits for the quarter are lower by ₹ 21.85 million.  
2(c) According to the transitional provisions as prescribed by AS 30, ₹ 14.79 million (net of tax) is adjusted against opening balance of surplus in the Statement of Profit and Loss.
- 3 EPS for the quarters and half year is not annualised.
- 4 The Company's operations 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".
- 5 The statement of assets and liabilities is as follows:

Amount in ₹ Million

SI No	Particulars	As on 30.09.2012 (Unaudited)	As on 31.03.2012 (Audited)
<b>A</b>	<b>EQUITY AND LIABILITIES</b>		
1	Shareholders' Funds		
	(a) Share Capital	77.16	54.67
	(b) Reserves and Surplus	842.28	696.11
		919.44	750.78
2	Share Application Money Pending Allotment	-	0.24
3	Non-current Liabilities		
	(a) Long-term borrowings	462.79	559.00
	(b) Long-term Provisions	43.07	38.49
		505.86	597.49
4	Current Liabilities		
	(a) Short-term Borrowings	1,267.29	1,320.33
	(b) Trade Payables	1,261.39	1,106.69
	(c) Other Current Liabilities	481.04	424.42
	(d) Short-term Provisions	52.55	54.35
		3,062.27	2,905.79
	<b>TOTAL</b>	<b>4,487.57</b>	<b>4,254.30</b>
<b>B</b>	<b>ASSETS</b>		
1	Non-current Assets		
	(a) Fixed Assets	1,769.58	1,784.43
	(b) Non-current Investments	76.67	76.67
	(c) Deferred Tax Asset	14.80	18.50
	(d) Long-term Loans and Advances	72.96	56.81
	(e) Other Non-current Assets	114.86	105.91
		2,048.87	2,042.32
2	Current Assets		
	(a) Inventories	921.71	924.18
	(b) Trade Receivables	1,159.18	964.12
	(c) Cash and Bank Balances	6.47	17.82
	(d) Short-term Loans and Advances	238.77	189.10
	(e) Other Current Assets	112.57	116.76
		2,438.70	2,211.98
	<b>TOTAL</b>	<b>4,487.57</b>	<b>4,254.30</b>

- 6 Previous quarter / year figures have been regrouped wherever necessary.

By Order of the Board  
For Neuland Laboratories Limited

Dr. D.R. Rao  
Chairman & Managing Director



Place: Hyderabad  
Date: November 9, 2012

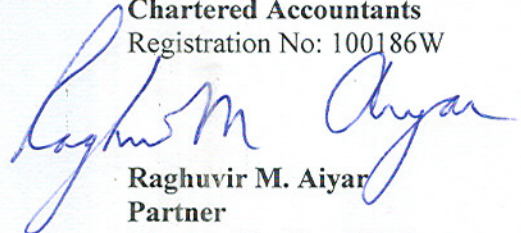
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To,  
**The Board of Directors,**  
**Neuland Laboratories Limited**  
Sanali Info Park, 'A' Block, Ground Floor,  
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Hyderabad – 500 034

**REVIEW REPORT ON THE UNAUDITED FINANCIAL RESULTS FOR THE  
THREE MONTHS PERIOD ENDED ON SEPTEMBER 30, 2012.**

1. We have reviewed the accompanying statement of unaudited financial results of **Neuland Laboratories Limited** for the three months period ended on September 30, 2012 except for the disclosures regarding public shareholding and Promoter and Promoter Group shareholding which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors on November 09, 2012.
2. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information 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.
3. Based on our review conducted as above, nothing has come to our notice that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For K. S. Aiyar & Co,  
Chartered Accountants  
Registration No: 100186W



Raghuvir M. Aiyar  
Partner  
Membership No.: 38128

Place: Mumbai  
Date: November 09, 2012