



# 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 NINE MONTHS ENDED DECEMBER 31, 2012

### PART - I

Sl. No.	Particulars	Amount in ₹ Million					
		Quarter Ended 31.12.2012 (Unaudited)	Quarter Ended 30.09.2012 (Unaudited)	Quarter Ended 31.12.2011 (Unaudited)	Nine Months Ended 31.12.2012 (Unaudited)	Nine Months Ended 31.12.2011 (Unaudited)	Year Ended 31.03.2012 (Audited)
1	<b>Income from Operations</b>						
	(a) Net Sales / Income from Operations	1,065.44	1,178.23	1,093.82	3,509.71	3,357.68	4,482.34
	(b) Other Operating Income	8.59	2.23	8.37	24.77	17.12	17.00
	<b>Total Income from Operations (Net)</b>	<b>1,074.03</b>	<b>1,180.46</b>	<b>1,102.19</b>	<b>3,534.48</b>	<b>3,374.80</b>	<b>4,499.34</b>
2	<b>Expenses</b>						
	(a) Consumption of Raw Materials	612.14	762.24	667.56	2,127.17	2,210.12	2,898.63
	(b) Changes in inventories of finished goods and work in process	(32.88)	(73.60)	(5.33)	(60.76)	(72.34)	(51.63)
	(c) Employee Benefit Expense	80.54	85.11	89.80	251.55	220.42	307.83
	(d) Depreciation	36.96	36.35	38.28	110.57	111.53	148.91
	(e) Manufacturing Expenses	113.28	109.48	103.33	333.41	290.40	384.88
	(f) Other Expenses	111.74	141.43	114.05	360.42	325.75	427.41
	<b>Total Expenses</b>	<b>921.78</b>	<b>1,061.01</b>	<b>1,007.69</b>	<b>3,122.36</b>	<b>3,085.88</b>	<b>4,116.03</b>
3	<b>Profit from Operations before Foreign Exchange (gain) / loss and Finance Costs (1-2)</b>	<b>152.25</b>	<b>119.45</b>	<b>94.50</b>	<b>412.12</b>	<b>288.92</b>	<b>383.31</b>
4	Foreign Exchange (gain) / loss (Net)	12.65	2.55	44.53	37.17	79.05	48.75
5	<b>Profit from Operations before Finance Costs (3-4)</b>	<b>139.60</b>	<b>116.90</b>	<b>49.97</b>	<b>374.95</b>	<b>209.87</b>	<b>334.56</b>
6	Finance Costs	90.19	78.49	83.97	248.36	247.86	332.74
7	<b>Profit / (Loss) before Tax (5-6)</b>	<b>49.41</b>	<b>38.41</b>	<b>(34.00)</b>	<b>126.59</b>	<b>(37.99)</b>	<b>1.82</b>
8	<b>Tax Expense</b>						
	(a) Current tax	8.83	7.55	-	24.35	1.72	1.25
	(b) Deferred Tax	7.85	-	-	7.85	-	(18.50)
	(c) MAT Credit entitlement	-	-	-	-	(1.72)	(1.25)
9	<b>Net Profit / (Loss) for the period (7-8)</b>	<b>32.73</b>	<b>30.86</b>	<b>(34.00)</b>	<b>94.39</b>	<b>(37.99)</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	4.28	4.04	(6.30)	12.35	(7.04)	3.77
	(b) Diluted	4.28	4.03	(6.29)	12.34	(7.03)	3.76



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## SEGMENT INFORMATION

### SEGMENT REVENUE (NET SALES)

Amount in ₹ Million

Particulars	Quarter Ended 31.12.2012 (Unaudited)	Quarter Ended 30.09.2012 (Unaudited)	Quarter Ended 31.12.2011 (Unaudited)	Nine Months Ended 31.12.2012 (Unaudited)	Nine Months Ended 31.12.2011 (Unaudited)	Year Ended 31.03.2012 (Audited)
(a) India	220.80	323.71	193.19	882.60	625.83	842.22
(b) Other than India	844.64	854.52	900.63	2,627.11	2,731.85	3,640.12
<b>Total</b>	<b>1,065.44</b>	<b>1,178.23</b>	<b>1,093.82</b>	<b>3,509.71</b>	<b>3,357.68</b>	<b>4,482.34</b>

## PART - II

Sl. No.	Particulars	Quarter Ended 31.12.2012 (Unaudited)	Quarter Ended 30.09.2012 (Unaudited)	Quarter Ended 31.12.2011 (Unaudited)	Nine Months Ended 31.12.2012 (Unaudited)	Nine Months Ended 31.12.2011 (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	3,817,199	3,582,343	3,817,199	3,582,343	3,322,343
	(b) Percentage of Shareholding	49.93%	49.93%	66.38%	49.93%	66.38%	61.57%
2	Promoters and Promoter Group Shareholding						
	(a) Pledged / Encumbered						
	-Number of Shares	200,000	200,000	551,000	200,000	551,000	389,000
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	5.22%	5.22%	30.37%	5.22%	30.37%	18.76%
	-Percentage of Shares (as a % of the total share capital of the Company)	2.62%	2.62%	10.21%	2.62%	10.21%	7.21%
	(b) Non-encumbered						
	-Number of Shares	3,627,779	3,627,779	1,263,112	3,627,779	1,263,112	1,685,112
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	94.78%	94.78%	69.63%	94.78%	69.63%	81.24%
	-Percentage of Shares (as a % of the total share capital of the Company)	47.45%	47.45%	23.41%	47.45%	23.41%	31.23%

## B INVESTOR COMPLIANTS

Particulars	Quarter Ended 31.12.2012
Pending at the beginning of the quarter	0
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	0



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## NOTES:

- 1 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 February 12, 2013, and approved and taken on record at the Board of Directors meeting held on February 13, 2012.
- 2 (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. There are no contracts outstanding as on December 31, 2012.
- 2 (b) As a result of the change in policy as above, the profits for the quarter are higher by ₹ 3.34 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 nine months 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 During the quarter under review, the Company has become a Subsidiary Company of Neuland Health Sciences Private Limited in terms of section 4(1)(b)(ii) of the Companies Act, 1956.
- 6 Pursuant to the approval of the Shareholders vide Postal Ballot Resolution dated July 18, 2012, the Company has during the quarter under review,
  - (a) completed the process of transferring by way of sale, the land together with the building thereon and fixtures thereto situated at Sy. No.488/R and Sy.No. 489/A, Bonthapally Village, Jinnaram Mandal, Medak District to Neuland Pharma Research Private Limited.
  - (b) entered into long term lease of certain identified movable assets with Neuland Pharma Research Private Limited.
  - (c) licensed certain identified intellectual property rights both on exclusive and non-exclusive basis pertaining to the Contract Research Services and Peptides Research business of the Company to Neuland Pharma Research Private Limited and Neuland Health Sciences Private Limited.
  - (d) certain identified employees of the Company have now been employed by Neuland Pharma Research Private Limited and Neuland Health Sciences Private Limited.
- 7 The Profit after Tax for the quarter and nine months ended December 31, 2012 is higher by ₹ 12.49 Million due to the re-organisation of the Company as mentioned in Note No. 6 and hence the results are not comparable with the corresponding periods of the previous year and of the previous quarter.
- 8 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: February 13, 2013



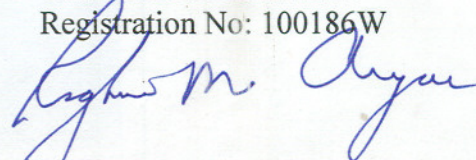
# F-7 Laxmi Mills  
Shakti Mills Lane (Off Dr E Moses Rd)  
Mahalaxmi Mumbai 400 011 India  
Tel : 91 22 2493 2502 / 6655 1770  
Fax : 91 22 6655 1774  
Grams : VERIFY  
www.KSAiyar.com  
Mail@KSAiyar.com

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 DECEMBER 31, 2012.**

1. We have reviewed the accompanying statement of unaudited financial results of **Neuland Laboratories Limited** for the three months period ended on December 31, 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 February 13, 2013.
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:** February 13, 2013