

Neuland Laboratories Limited
Sanali Info Park, 'A' Block,
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Road No. 2, Banjara Hills
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Telangana, India.

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August 10, 2018

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 the SEBI Listing Regulations, 2015**

This is to inform you that the Board of Directors, at its meeting held on even date, had approved the Unaudited Financial Results for the quarter ended June 30, 2018 and the limited review thereon by the auditors. The said financial results and limited review report by the auditors for the quarter ended June 30, 2018, are attached herewith.

The meeting commenced at 10:00 a.m. and concluded at 12:45 p.m.

This is for your information and records.

Yours faithfully,
For Neuland Laboratories Limited



Sarada Bhamidipati
Company Secretary

Encl: as above

Walker Chandiook & Co LLP

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Kundan Bagh, Begumpet
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Independent Auditor's Review Report on 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 of Neuland Laboratories Limited

1. We have reviewed the accompanying statement of unaudited financial results ('Statement') of Neuland Laboratories Limited ('the Company') for the quarter ended 30 June 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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 Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013


Sanjay Kumar Jain

Partner

Membership No. 207660

Place: Hyderabad

Date: 10 August 2018



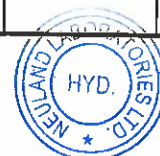
NEULAND LABORATORIES LIMITED

Sanaji 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 ENDED 30 JUNE 2018

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended			Year Ended
		30.06.2018 (Unaudited)	31.03.2018 (Audited) [Refer note 4 (ii)]	30.06.2017 (Unaudited) [Refer note 4 (i)]	31.03.2018 (Audited)
1	Revenue				
	(a) Revenue from operations	15,395.75	16,022.62	11,715.67	52,916.15
	(b) Other income	111.37	29.05	255.97	453.45
	Total Income	15,507.12	16,051.67	11,971.64	53,369.60
2	Expenses				
	(a) Cost of materials consumed	9,185.50	7,951.45	5,979.98	28,109.42
	(b) Excise duty	-	-	175.47	175.47
	(c) Changes in inventories of finished goods and work-in-progress	(512.84)	73.82	(1,075.34)	(4,272.41)
	(d) Employee benefits expense	2,556.77	2,249.59	2,352.04	9,572.79
	(e) Finance costs	388.06	487.80	451.30	1,892.13
	(f) Depreciation and amortisation expense	566.07	560.97	525.55	2,210.35
	(g) Manufacturing expenses	1,820.67	2,013.10	2,136.27	8,149.10
	(h) Other expenses	1,447.88	1,855.75	1,340.58	6,178.72
	Total Expenses	15,452.11	15,192.48	11,885.85	52,015.57
3	Profit before tax (1-2)	55.01	859.19	85.79	1,354.03
4	Tax expense				
	(a) Current tax	38.08	86.22	58.37	422.91
	(b) Deferred tax benefit	(24.33)	(32.32)	(37.69)	(249.70)
5	Profit for the period / year (3-4)	41.26	805.29	65.11	1,180.82
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	6.82	52.77	(8.49)	27.28
	(ii) Equity instruments through other comprehensive income	(0.78)	1.70	-	1.70
	Tax on items that will not be reclassified to profit or loss	(2.36)	(18.26)	2.94	(9.44)
	Total comprehensive income	44.94	841.50	59.56	1,200.36
7	Paid-up Equity Share Capital (Face value - ₹10 each)	1,290.05	895.49	895.49	895.49
8	Other equity				23,497.52
9	Equity suspense account				31,084.99
10	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)				
	(a) Basic (refer note 4(iii))	0.35	7.22	0.58	10.59
	(b) Diluted (refer note 4(iii))	0.35	7.22	0.58	10.59
	See accompanying notes to the financial results				



NOTES:

- 1 The financial results for the quarter ended 30 June 2018, have been reviewed by the Audit Committee in their meeting held on 9 August 2018, approved by the Board of Directors at their meeting held on 10 August 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 ended 30 June 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 period ended 30 June 2017.
(ii) The figures for the quarter ended 31 March 2018 being the balancing figures between the audited figures in respect of the full financial year ended 31 March 2018 and the unaudited year to date figures up to the nine months ended 31 December 2017 (arrived on the basis as explained in (i) above).
(iii) During the quarter 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 In accordance with the provisions of Chapter VIII of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and pursuant to the approval accorded by the shareholders in the Extra-Ordinary General Meeting held on 11 May 2018, the Company has raised a sum of ₹12,562.50 lakhs during the current quarter by allotment of 16,75,000 equity shares of ₹10 each at a premium of ₹740 per share through a Qualified Institutional Placement process.
- 6 EPS for the quarters is not annualized.
- 7 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 quarter ended 30 June 2018 and 31 March 2018 is not comparable with those for the quarter ended 30 June 2017.

By Order of the Board
For Neuland Laboratories Limited



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



Place: Hyderabad
Date: 10 August 2018