



NEULAND LABORATORIES LIMITED

Flat No.204, II Floor, Meridian Plaza, 6-3-853/1, Ameerpet, Hyderabad-500 016. A.P., INDIA.

Phone : +91-40-30211600, 23412934, 66518682, Fax : +91-40-23412957

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

November 3, 2011

The National Stock Exchange Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai – 400 001

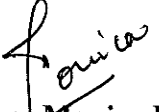
Scrip Code: NEULANLAB
Series: EQ

Dear Sir,

Sub: Outcome of Board Meeting / Compliance 41 of the Listing Agreement

This is to inform you that the Board of Directors at their meeting held today i.e. November 3, 2011, have approved the un-audited financial results for the quarter ended 30th September 2011 (copy enclosed).

Yours faithfully,
for **Neuland Laboratories Limited**


Mary Monica Braganza
Company Secretary

Encl: as above



NEULAND LABORATORIES LIMITED

Flat No.204, II Floor, Meridian Plaza, 6-3-853/1, Ameerpet, Hyderabad-500 016. A.P., INDIA.

Phone : +91-40-30211600, 23412934, 66518682, Fax : +91-40-23412957

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2011						
Amount in ₹ Lacs, except share data						
Sl. No.	Particulars	Quarter Ended 30.09.2011 (Unaudited)	Quarter Ended 30.09.2010 (Unaudited)	Half Year Ended 30.09.2011 (Unaudited)	Half Year Ended 30.09.2010 (Unaudited)	Year Ended 31.03.2011 (Audited)
1	(a) Net Sales / Income from Operations	12,227.66	10,040.19	22,458.87	18,943.91	39,357.23
	(b) Other Operating Income	102.53	51.95	267.35	108.66	424.21
	Total Income	12,330.19	10,092.14	22,726.22	19,052.57	39,781.44
2	Expenditure					
	(a) (Increase) / Decrease in stock in trade and work in progress	(43.92)	(68.69)	(670.12)	(268.39)	(317.19)
	(b) Consumption of Raw Materials	7,953.59	6,318.21	15,425.53	12,469.68	25,308.09
	(c) Employees Cost	646.69	671.50	1,306.30	1,293.21	2,606.03
	(d) Depreciation	367.44	386.35	732.59	765.69	1,541.12
	(e) Manufacturing Expenses	1,027.99	848.40	1,870.68	1,630.59	3,335.09
	(f) Administration, Selling and Other Expenses	1,259.98	1,063.90	2,117.03	2,055.27	3,998.75
	Total Expenditure	11,211.77	9,219.67	20,782.01	17,946.05	36,471.89
3	Profit from Operations before Foreign Exchange (gain) / loss and Interest (1-2)	1,118.42	872.47	1,944.21	1,106.52	3,309.55
4	Foreign Exchange (gain) / loss (Net) (Refer Note 5)	378.82	(160.43)	345.14	(164.30)	(145.78)
5	Profit from Operations before Interest (3-4)	739.60	1,032.90	1,599.07	1,270.82	3,455.33
6	Interest (Net)	865.36	744.58	1,638.92	1,459.06	2,983.71
7	Profit / (Loss) before Tax (5-6)	(125.76)	288.32	(39.85)	(188.24)	471.62
8	Tax Expense					
	(a) Current tax	-	-	17.19	-	94.00
	(b) Deferred Tax	-	-	-	-	-
	(c) MAT Credit entitlement	-	-	(17.19)	-	(94.00)
	(d) Excess provision of income tax no longer required	-	-	-	-	(37.39)
	(e) Wealth Tax	-	-	-	-	2.11
9	Net Profit / (Loss) for the period (7-8)	(125.76)	288.32	(39.85)	(188.24)	506.90
10	Paid-up Equity Share Capital (Face Value ₹10 per share)	546.71	546.71	546.71	546.71	546.71
11	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year					6,646.17
12	Earnings per Share (EPS) (in ₹)					
	(a) Basic	(2.33)	5.34	(0.74)	(3.49)	9.39
	(b) Diluted	(2.33)	5.33	(0.74)	(3.48)	9.38
13	Public Shareholding					
	(a) Number of Shares	3,582,343	3,350,133	3,582,343	3,350,133	3,444,717
	(b) Percentage of Shareholding	66.38%	62.08%	66.38%	62.08%	63.83%
14	Promoters and Promoter Group Shareholding					
	(a) Pledged / Encumbered					
	-Number of Shares	488,000	167,500	488,000	167,500	200,000
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	26.90%	8.19%	26.90%	8.19%	10.25%
	-Percentage of Shares (as a % of the total share capital of the Company)	9.04%	3.10%	9.04%	3.10%	3.71%
	(b) Non-encumbered					
	-Number of Shares	1,326,112	1,878,822	1,326,112	1,878,822	1,751,738
	-Percentage of Shares (as a % of the total shareholding of promoter and promoter group)	73.10%	91.81%	73.10%	91.81%	89.75%
	-Percentage of Shares (as a % of the total share capital of the Company)	24.58%	34.81%	24.58%	34.81%	32.46%

Works : (i) Bonthapalli (V), Veerabhadraswamy Temple Road, 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



NEULAND LABORATORIES LIMITED

Flat No.204, II Floor, Meridian Plaza, 6-3-853/1, Ameerpet, Hyderabad-500 016. A.P., INDIA.

Phone : +91-40-30211600, 23412934, 66518682. Fax : +91-40-23412957

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

SEGMENT INFORMATION UNDER CLAUSE 41 OF THE LISTING AGREEMENT					
SEGMENT REVENUE (NET SALES)					
(a) India	2,392.10	1,787.14	4,326.41	3,512.49	7,560.54
(b) Other than India	9,835.56	8,253.05	18,132.46	15,431.42	31,796.69
Total	12,227.66	10,040.19	22,458.87	18,943.91	39,357.23

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 2, 2011, and approved and taken on record at the Board of Directors meeting held on November 3, 2011.
- One investor complaint was received during the quarter and was pending at the end of the quarter. There were no investor complaints pending at the beginning of the quarter.
- EPS for the quarters is not annualised.
- 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".
- For the quarter ended September 30, 2011, foreign exchange [gain] / loss (net) includes ₹ 253.54 lacs unrealised loss on forward contracts.
- The statement of assets and liabilities is as follows:

Sl No	Particulars	Amount in ₹ Lacs		
		As on 30.09.2011 (Unaudited)	As on 30.09.2010 (Unaudited)	As on 31.03.2011 (Audited)
1	Shareholders' Funds			
	(a) Capital	546.71	546.71	546.71
	(b) Reserves and Surplus	6,722.10	6,151.72	6,766.02
2	Loan Funds	24,223.82	22,954.18	23,374.05
	TOTAL	31,492.63	29,652.61	30,686.78
3	Fixed Assets	18,367.06	18,877.87	18,555.64
4	Investments	766.69	755.19	766.69
5	Current Assets, Loans and Advances			
	(a) Inventories	8,728.36	7,428.75	7,991.63
	(b) Sundry Debtors	12,387.25	8,911.44	9,957.18
	(c) Cash and Bank Balances	1,369.41	1,241.25	1,448.72
	(d) Loans and Advances	3,903.51	4,136.42	4,014.82
		26,388.53	21,717.86	23,412.35
6	Less: Current Liabilities and Provisions			
	(a) Liabilities	13,490.32	10,645.54	11,422.06
	(b) Provisions	554.64	1,129.55	625.84
		14,044.96	11,775.09	12,047.90
7	Net Current Assets	12,343.57	9,942.77	11,364.45
8	Miscellaneous Expenses (to the extent not written off or adjusted)	15.31	-	-
9	Profit and Loss Account	-	76.78	-
	TOTAL	31,492.63	29,652.61	30,686.78

- During the current quarter, the Company has rationalised the list of promoters and promoter group as per the criteria specified in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Previous quarter / year disclosures have not been reclassified.
- On September 30, 2011, the Company has filed a Draft Letter of Offer (DLOF) with Securities and Exchange Board of India (SEBI) for the proposed Rights Issue of its equity shares aggregating to ₹1,100 lacs. The Company has incurred certain expenses in relation to said Rights Issue activity which have been accounted for as "Miscellaneous Expenditure (to the extent not written off or adjusted)". These expenses will be charged to the securities premium account proposed to be received from the Rights Issue of the equity shares of the Company.
- 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 3, 2011