



# NEULAND LABORATORIES LIMITED

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

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## AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012

Amount in ₹ Millions, except share data

| Sl. No. | Particulars                                                                                | Quarter Ended<br>31.03.2012<br>(Audited) | Quarter Ended<br>31.12.2011<br>(Unaudited) | Quarter Ended<br>31.03.2011<br>(Audited) | Year Ended<br>31.03.2012<br>(Audited) | Year Ended<br>31.03.2011<br>(Audited) |
|---------|--------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------|------------------------------------------|---------------------------------------|---------------------------------------|
| 1       | (a) Net Sales / Income from Operations                                                     | 1,124.66                                 | 1,099.60                                   | 1,099.53                                 | 4,482.34                              | 3,967.95                              |
|         | (b) Other Operating Income                                                                 | 5.81                                     | 2.59                                       | 5.05                                     | 17.00                                 | 10.05                                 |
|         | <b>Total Income</b>                                                                        | <b>1,130.47</b>                          | <b>1,102.19</b>                            | <b>1,104.58</b>                          | <b>4,499.34</b>                       | <b>3,978.00</b>                       |
| 2       | <b>Expenditure</b>                                                                         |                                          |                                            |                                          |                                       |                                       |
|         | (a) Consumption of Raw Materials                                                           | 688.52                                   | 667.56                                     | 733.54                                   | 2,898.63                              | 2,530.80                              |
|         | (b) Changes in inventories of finished goods and work in process                           | 20.71                                    | (5.33)                                     | (31.18)                                  | (51.63)                               | (31.71)                               |
|         | (c) Employee Benefit Expense                                                               | 87.41                                    | 89.80                                      | 66.83                                    | 307.83                                | 260.60                                |
|         | (d) Depreciation                                                                           | 37.37                                    | 38.28                                      | 38.53                                    | 148.91                                | 154.11                                |
|         | (e) Manufacturing Expenses                                                                 | 94.48                                    | 103.33                                     | 84.98                                    | 384.88                                | 333.51                                |
|         | (f) Other Expenses                                                                         | 101.66                                   | 114.05                                     | 108.28                                   | 427.41                                | 399.96                                |
|         | <b>Total Expenditure</b>                                                                   | <b>1,030.15</b>                          | <b>1,007.69</b>                            | <b>1,000.98</b>                          | <b>4,116.03</b>                       | <b>3,647.27</b>                       |
| 3       | <b>Profit from Operations before Foreign Exchange (gain) / loss and Finance Cost (1-2)</b> | <b>100.32</b>                            | <b>94.50</b>                               | <b>103.60</b>                            | <b>383.31</b>                         | <b>330.73</b>                         |
| 4       | Foreign Exchange (gain) / loss (Net) (Refer Note 5)                                        | (24.36)                                  | 40.33                                      | 2.69                                     | 48.75                                 | (14.59)                               |
| 5       | <b>Profit from Operations before Finance Cost (3-4)</b>                                    | <b>124.68</b>                            | <b>54.17</b>                               | <b>100.91</b>                            | <b>334.56</b>                         | <b>345.32</b>                         |
| 6       | Finance Costs                                                                              | 84.88                                    | 88.17                                      | 76.73                                    | 332.74                                | 298.37                                |
| 7       | <b>Profit / (Loss) before Tax (5-6)</b>                                                    | <b>39.80</b>                             | <b>(34.00)</b>                             | <b>24.18</b>                             | <b>1.82</b>                           | <b>46.95</b>                          |
| 8       | <b>Tax Expense</b>                                                                         |                                          |                                            |                                          |                                       |                                       |
|         | (a) Current tax                                                                            | (0.47)                                   | -                                          | 4.91                                     | 1.25                                  | 9.40                                  |
|         | (b) Deferred Tax                                                                           | (18.50)                                  | -                                          | -                                        | (18.50)                               | -                                     |
|         | (c) MAT Credit entitlement                                                                 | 0.47                                     | -                                          | (4.91)                                   | (1.25)                                | (9.40)                                |
|         | (d) Excess provision of income tax no longer required                                      | -                                        | -                                          | (3.74)                                   | -                                     | (3.74)                                |
| 9       | <b>Net Profit / (Loss) for the period (7-8)</b>                                            | <b>58.30</b>                             | <b>(34.00)</b>                             | <b>27.92</b>                             | <b>20.32</b>                          | <b>50.69</b>                          |
| 10      | Paid-up Equity Share Capital (Face Value ₹10 per share)                                    | 54.67                                    | 54.67                                      | 54.67                                    | 54.67                                 | 54.67                                 |
| 11      | Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year    |                                          |                                            |                                          | 684.94                                | 664.62                                |
| 12      | <b>Earnings per Share (EPS) (in ₹)</b>                                                     |                                          |                                            |                                          |                                       |                                       |
|         | (a) Basic                                                                                  | 10.80                                    | (6.30)                                     | 5.17                                     | 3.77                                  | 9.39                                  |
|         | (b) Diluted                                                                                | 10.79                                    | (6.29)                                     | 5.17                                     | 3.76                                  | 9.38                                  |
| 13      | <b>Public Shareholding</b>                                                                 |                                          |                                            |                                          |                                       |                                       |
|         | (a) Number of Shares                                                                       | 3,322,343                                | 3,582,343                                  | 3,444,717                                | 3,322,343                             | 3,444,717                             |
|         | (b) Percentage of Shareholding                                                             | 61.57%                                   | 66.38%                                     | 63.83%                                   | 61.57%                                | 63.83%                                |
| 14      | <b>Promoters and Promoter Group Shareholding</b>                                           |                                          |                                            |                                          |                                       |                                       |
|         | (a) Pledged / Encumbered                                                                   |                                          |                                            |                                          |                                       |                                       |
|         | -Number of Shares                                                                          | 389,000                                  | 551,000                                    | 200,000                                  | 389,000                               | 200,000                               |
|         | -Percentage of Shares (as a % of the total shareholding of promoter and promoter group)    | 18.76%                                   | 30.37%                                     | 10.25%                                   | 18.76%                                | 10.25%                                |
|         | -Percentage of Shares (as a % of the total share capital of the Company)                   | 7.21%                                    | 10.21%                                     | 3.71%                                    | 7.21%                                 | 3.71%                                 |
|         | (b) Non-encumbered                                                                         |                                          |                                            |                                          |                                       |                                       |
|         | -Number of Shares                                                                          | 1,685,112                                | 1,263,112                                  | 1,751,738                                | 1,685,112                             | 1,751,738                             |
|         | -Percentage of Shares (as a % of the total shareholding of promoter and promoter group)    | 81.24%                                   | 69.63%                                     | 89.75%                                   | 81.24%                                | 89.75%                                |
|         | -Percentage of Shares (as a % of the total share capital of the Company)                   | 31.23%                                   | 23.41%                                     | 32.46%                                   | 31.23%                                | 32.46%                                |

### SEGMENT INFORMATION UNDER CLAUSE 41 OF THE LISTING AGREEMENT

#### SEGMENT REVENUE (NET SALES)

|                      |                 |                 |                 |                 |                 |
|----------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| (a) India            | 216.39          | 193.19          | 232.89          | 842.22          | 756.05          |
| (b) Other than India | 908.27          | 906.41          | 866.64          | 3,640.12        | 3,211.90        |
| <b>Total</b>         | <b>1,124.66</b> | <b>1,099.60</b> | <b>1,099.53</b> | <b>4,482.34</b> | <b>3,967.95</b> |

*DR*

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



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## NOTES:

- The above audited financial results have been reviewed by the Audit Committee at their meeting held on May 2, 2012, and approved and taken on record at the Board of Directors meeting held on May 3, 2012.
- There was no investor complaint pending at the beginning of the quarter. One investor complaint was received and disposed off during the quarter. There were no investor complaints pending at the end of the quarter.
- EPS for the quarters and nine months 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".
- The Foreign Exchange (Gain) / Loss (net) includes unrealised gain on forward contracts of ₹27.51 million for the quarter ended March 31, 2012, unrealised loss of ₹26.94 million for the quarter ended December 31, 2011, ₹Nil for the quarter / year ended March 31, 2011, ₹ 24.78 million for the year ended March 31, 2012.

- The statement of assets and liabilities is as follows:

| SI No    | Particulars                               | Amount in ₹ Million        |                            |
|----------|-------------------------------------------|----------------------------|----------------------------|
|          |                                           | As on 31.03.2012 (Audited) | As on 31.03.2011 (Audited) |
| <b>A</b> | <b>EQUITY AND LIABILITIES</b>             |                            |                            |
| 1        | Shareholders' Funds                       |                            |                            |
|          | (a) Share Capital                         | 54.67                      | 54.67                      |
|          | (b) Reserves and Surplus                  | 696.11                     | 676.61                     |
|          |                                           | 750.78                     | 731.28                     |
| 2        | Share Application Money Pending Allotment | 0.24                       | -                          |
| 3        | Non-current Liabilities                   |                            |                            |
|          | (a) Long-term borrowings                  | 559.00                     | 715.79                     |
|          | (b) Long-term Provisions                  | 38.49                      | 26.66                      |
|          |                                           | 597.49                     | 742.45                     |
| 4        | Current Liabilities                       |                            |                            |
|          | (a) Short-term Borrowings                 | 1,320.33                   | 1,339.66                   |
|          | (b) Trade Payables                        | 1,106.69                   | 1,043.46                   |
|          | (c) Other Current Liabilities             | 424.42                     | 380.70                     |
|          | (d) Short-term Provisions                 | 54.35                      | 35.92                      |
|          |                                           | 2,905.79                   | 2,799.74                   |
|          | <b>TOTAL</b>                              | <b>4,254.30</b>            | <b>4,273.47</b>            |
| <b>B</b> | <b>ASSETS</b>                             |                            |                            |
| 1        | Non-current Assets                        |                            |                            |
|          | (a) Fixed Assets                          | 1,784.43                   | 1,855.57                   |
|          | (b) Non-current Investments               | 76.67                      | 76.67                      |
|          | (c) Deferred Tax Asset                    | 18.50                      | -                          |
|          | (d) Long-term Loans and Advances          | 56.81                      | 50.90                      |
|          | (e) Other Non-current Assets              | 105.91                     | 109.51                     |
|          |                                           | 2,042.32                   | 2,092.65                   |
| 2        | Current Assets                            |                            |                            |
|          | (a) Inventories                           | 924.18                     | 799.16                     |
|          | (b) Trade Receivables                     | 964.12                     | 995.72                     |
|          | (c) Cash and Bank Balances                | 17.82                      | 44.49                      |
|          | (d) Short-term Loans and Advances         | 189.10                     | 212.15                     |
|          | (e) Other Current Assets                  | 116.76                     | 129.30                     |
|          |                                           | 2,211.98                   | 2,180.82                   |
|          | <b>TOTAL</b>                              | <b>4,254.30</b>            | <b>4,273.47</b>            |

- The Employee's Cost under 2(c) above for the quarter ended December 31, 2011 includes ₹16.10 million pertaining to the period April 2011 to September 2011 materialised and accounted during that quarter.
- The Company has incurred certain expenses in relation to the Rights Issue which have been accounted for as "Rights Issue Expenses" and grouped under "Other Current Assets". 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: May 3, 2012