

Neuland Laboratories Limited
Sanali Info Park, 'A' Block,
Ground Floor, 8-2-120/113
Road No. 2, Banjara Hills
Hyderabad, 500 034, Telangana,
India.

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May 20, 2016

To
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai - 400 001

To
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 001

Scrip Code: 524558

**Scrip Code: NEULANLAB
Series: EQ**

Dear Sirs,

Outcome of Board Meeting

This is to inform you that the Board of Directors at their meeting held today i.e. May 20, 2016:

1. Have approved the Standalone and Consolidated Audited Financial Results for the year ended March 31, 2016 (copy enclosed) along with the Auditor's Reports on the Standalone and the Consolidated Audited Financial Results
2. Have recommended payment of dividend of 20 % at Rs.2.00/- per equity share on a face value of Rs.10 each, subject to the approval of members of the Company.
3. Re-designation of Mr.D.Sucheth Rao as Vice Chairman & Chief Executive Officer, subject to the approval of the members.
4. Re-designation of Mr.D.Saharsh Rao as Joint Managing Director, subject to the approval of the members.

This is for your information and records.

Yours faithfully,

For Neuland Laboratories Limited



Sarada Bhamidipati
Company Secretary

Encl: as above

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NEULAND LABORATORIES LIMITED

Sanali Info Park, 'A' Block, Ground Floor, 8-2-120/113, Road No. 2, Banjara Hills, Hyderabad - 500034

AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2016

Amount in Rs Lacs

Sl. No.	Particulars	STANDALONE					CONSOLIDATED	
		Quarter Ended 31.03.2016 (Audited)	Quarter Ended 30.12.2015 (Unaudited)	Quarter Ended 31.03.2015 (Audited)	Year Ended 31.03.2016 (Audited)	Year Ended 31.03.2015 (Audited)	Year Ended 31.03.2016 (Audited)	Year Ended 31.03.2015 (Audited)
1	Income from Operations							
	(a) Net Sales / Income from Operations	12,684.53	11,575.30	12,358.77	48,576.71	44,506.38	48,576.71	44,506.38
	(b) Other Operating Income	819.23	727.68	990.64	2,420.30	2,408.72	2,420.30	2,408.72
	Total Income from Operations (Net)	13,503.76	12,302.98	13,349.36	50,997.01	46,915.10	50,997.01	46,915.10
2	Expenses							
	(a) Consumption of Raw Materials	6,577.83	5,981.31	6,537.73	25,956.67	26,641.89	25,956.67	26,641.89
	(b) Changes in inventories of finished goods and work in process	(526.65)	182.07	677.81	(611.18)	(2,242.89)	(611.18)	(2,242.89)
	(c) Employee Benefit Expense	1,209.90	1,276.03	1,376.03	5,023.10	4,915.80	5,571.80	5,180.94
	(d) Depreciation	411.16	393.31	362.28	1,574.26	1,531.98	1,574.26	1,531.98
	(e) Manufacturing Expenses	1,896.15	1,505.07	1,265.74	6,250.33	5,784.45	6,250.33	5,784.45
	(f) Other Expenses	2,327.44	1,453.12	1,488.40	6,391.12	5,179.41	5,784.84	4,888.79
	Total Expenses	11,895.83	10,790.91	11,707.99	44,584.30	41,810.64	44,526.72	41,785.16
3	Profit from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	1,607.93	1,512.07	1,641.37	6,412.71	5,104.46	6,470.29	5,129.94
4	Other Income	73.10	38.24	76.88	161.91	78.12	177.80	78.37
5	Profit from Ordinary Activities before Finance Costs and Exceptional Items (3+4)	1,681.03	1,550.31	1,718.25	6,574.62	5,182.58	6,648.09	5,208.31
6	Finance Costs	528.29	636.42	860.37	2,446.60	2,734.86	2,447.80	2,736.13
7	Profit from Ordinary Activities after Finance Costs but before Exceptional Items (5-6)	1,152.74	913.89	857.88	4,128.02	2,447.72	4,200.29	2,472.18
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit from Ordinary Activities before Tax (7-8)	1,152.74	913.89	857.88	4,128.02	2,447.72	4,200.29	2,472.18
10	Tax Expense	489.38	286.24	289.19	1,486.54	869.58	1,492.35	878.97
11	Net Profit from Ordinary Activities after Tax (9-10)	663.36	627.65	568.69	2,641.48	1,578.14	2,707.94	1,593.21
12	Extraordinary Items	-	-	-	-	-	-	-
13	Net Profit for the period (11-12)	663.36	627.65	568.69	2,641.48	1,578.14	2,707.94	1,593.21
14	Minority Interest	-	-	-	-	-	(24.51)	(1.48)
15	Net Profit / (Loss) after taxes and minority interest (13-14)	663.36	627.65	568.69	2,641.48	1,578.14	2,732.45	1,594.69
16	Paid-up Equity Share Capital (Face Value Rs 10 per share)	895.39	895.39	895.39	895.39	895.39	895.39	895.39
17	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	-	15,010.28	-	15,165.61
18	Earnings per Share (EPS) (in Rs)							
	(a) Basic (Not Annualized)	7.46	7.07	6.40	29.73	18.47	30.76	18.67
	(b) Diluted (Not Annualized)	7.46	7.07	6.40	29.73	18.47	30.75	18.66

NOTES:

- The above audited financial results have been reviewed by the Audit Committee at their meeting held on May 19, 2016, and approved and taken on record at the Board of Directors meeting held on May 20, 2016.
- The Board of Directors at their meeting held on May 20, 2016 have recommended a dividend of 20% at Rs 2 per share on face value of Rs 10 each aggregating to Rs 213.84 lacs including dividend distribution tax for the financial year 2015-2016.
- EPS for quarter and year ended 31 March, 2015 has been recomputed to adjust for the bonus element of rights issue completed during the financial year 2014-15, in accordance with the provisions of AS 20 - Earnings per Share.
- 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 Rs Lacs			
Sl No	Particulars	STANDALONE		CONSOLIDATED	
		As on 31.03.2016 (Audited)	As on 31.03.2015 (Audited)	As on 31.03.2016 (Audited)	As on 31.03.2015 (Audited)
A	EQUITY AND LIABILITIES				
1	Shareholders' Funds				
	(a) Share Capital	895.39	895.39	895.39	895.39
	(b) Reserves and Surplus	17,521.81	15,087.15	17,768.11	15,242.48
		18,417.20	15,982.54	18,663.50	16,137.87
2	Share Application Money Pending Allotment	-	-	-	-
3	Non-current Liabilities				
	(a) Long-term Borrowings	4,540.00	3,322.15	4,540.00	3,322.15
	(b) Deferred Tax Liability (Net)	1,422.82	1,224.55	1,463.58	1,242.47
	(c) Other Long-term Liabilities	253.00	273.00	253.00	273.00
	(d) Long-term Provisions	684.92	638.48	684.92	638.48
		6,900.74	5,458.18	6,941.50	5,476.10
4	Minority Interest	-	-	-	24.52
5	Current Liabilities				
	(a) Short-term Borrowings	12,362.90	14,579.81	12,362.90	14,579.81
	(b) Trade Payables				
	- Dues to micro and small enterprises	43.78	7.71	43.78	7.71
	- Dues to creditors other than micro and small enterprises	8,308.75	11,168.25	8,332.62	11,173.65
	(c) Other Current Liabilities	5,754.04	3,316.12	5,511.07	3,128.40
	(d) Short-term Provisions	546.72	604.31	549.73	624.84
		27,016.19	29,676.20	26,800.10	29,514.41
	TOTAL	52,334.13	51,116.92	52,405.10	51,152.90
B	ASSETS				
1	Non-current Assets				
	(a) Fixed Assets	17,925.09	16,454.28	17,925.09	16,454.28
	(b) Non-current Investments	754.58	766.80	738.76	738.76
	(c) Long-term Loans and Advances	2,320.67	2,382.91	2,322.67	2,382.91
		21,000.34	19,603.99	20,986.52	19,575.95
2	Current Assets				
	(a) Inventories	12,666.29	11,340.40	12,666.29	11,340.40
	(b) Trade Receivables	11,910.83	12,884.83	11,910.83	12,884.83
	(c) Cash and Bank Balances	904.02	648.66	971.40	698.13
	(d) Short-term Loans and Advances	4,959.00	4,886.64	4,976.41	4,901.19
	(e) Other Current Assets	893.65	1,752.40	893.65	1,752.40
		31,333.79	31,512.93	31,418.58	31,576.95
	TOTAL	52,334.13	51,116.92	52,405.10	51,152.90

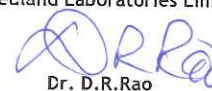
6 The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and published year to date figures up to the third quarter of the relevant financial year. Also the figures upto the end of third quarter were only reviewed and subject to audit.

7 The Consolidated financial results include, results for the year ended 31 March 2016 of the following subsidiaries:

- Neuland Laboratories Inc., USA
- Neuland Laboratories KK., Japan
- CATO Research Neuland India Private Limited, India

8 Previous period figures have been re-grouped/reclassified wherever necessary, to confirm to this period's classification.

By Order of the Board
For Neuland Laboratories Limited


Dr. D.R. Rao

Chairman & Managing Director
(DIN 00107737)



Place: Hyderabad
Date: May 20, 2016

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(Formerly Walker, Chandiok & Co)
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Independent Auditor's Report

To the Board of Directors of Neuland Laboratories Limited

1. We have audited the accompanying standalone financial results ("the Statement") of Neuland Laboratories Limited ("the Company") for the year ended 31 March 2016, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared on the basis of the related standalone financial statements which is in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). Our responsibility is to express an opinion on the Statement.
2. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (ii) gives a true and fair view in conformity with the aforesaid Accounting standards and other principles generally accepted in India of the net profit and other financial information for the year ended 31 March 2016.



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4. The Statement includes the results for the quarter ended 31 March 2016 being the balancing figure between audited figures for the year ended 31 March 2016 and the period to date published figures up to nine months of the current period which were subjected to limited review by us.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place : Hyderabad
Date : 20 May 2016

Walker Chandiok & Co LLP
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Independent Auditor's report

To the Board of Directors of Neuland Laboratories Limited

1. We have audited the accompanying consolidated financial results ("the Statement") of Neuland Laboratories Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') for the year ended 31 March 2016, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement, which is the responsibility of the Company's management and approved by the Board of Directors, has been prepared on the basis of the related consolidated financial statements of the Group which is in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). Our responsibility is to express an opinion on the statement.
 2. We conducted our audit in accordance with the standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the Statement.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
3. We did not audit the financial statements of subsidiaries incorporated outside India viz, Neuland Laboratories Inc. USA and Neuland Laboratories KK. Japan, whose financial statements reflect total assets (after eliminating intra group transactions) of ₹ 101.57 lakhs as at 31 March 2016; total revenues (after eliminating intra group transactions) of ₹0.27 lakhs and net cash flows amounting to ₹35.24 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors.



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4. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors referred to in paragraph 3 above, the Statement:
- (i) in the case of the consolidated financial results of the Group, includes the results for the year ended 31 March 2016 of the entities listed in the notes to the Statement;
 - (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
 - (iii) gives a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the Group, of the net profit and other financial information of the Group for the year ended 31 March 2016.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner

Membership No.: 207660



Place: Hyderabad

Date : 20 May 2016