

May 10, 2022

To
BSE Limited
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai - 400 001

Scrip Code: 524558

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

Scrip Code: NEULANLAB; Series: EQ

Neuland Laboratories Limited
11th Floor, (5th Office Level),
Phoenix IVY Building,
Plot No. 573A-III, Road No.82,
Jubilee Hills, Hyderabad-500033,
Telangana, India

Tel : 040 67611600 / 67611700
Email : neuland@neulandlabs.com
www.neulandlabs.com

Dear Sirs,

Sub: Outcome of Board Meeting

Pursuant to Regulation 30 and 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), we wish to inform you that the Board of Directors at their meeting held on even date, have considered and approved the following:

- a. **Financial Results:** Upon recommendation of the Audit Committee, the Board of Directors have approved the Audited Financial Results (Standalone & Consolidated) as per Indian Accounting Standards (IND AS) for the year ended March 31, 2022 along with Statement of Assets and Liabilities as on March 31, 2022 (enclosed). The Board of Directors took note of the Statutory Auditors' Report on the Audited Financial Results (Standalone & Consolidated) for the year ended March 31, 2022 with unmodified opinion (enclosed).

We would like to state that the Statutory Auditors of the Company, M/s. MSKA & Associates, Chartered Accountants, have issued audit reports with unmodified opinion on the Statement.

Also enclosed is a copy of the Press Release along with presentation to the Investors/ Analysts, on the Unaudited Financial Results of the Company for the quarter ended March 31, 2022.

- b. **Final Dividend:** Have recommended payment of final dividend of Rs.5.00/- (50%) per equity share on a face value of Rs.10 each, subject to the approval of members of the Company.

The above information will also be available on the website of the Company at www.neulandlabs.com.

The meeting of Board of Directors of the Company commenced at 02:30 p.m. and concluded at 04:20 p.m.

This is for your information and records.

Yours faithfully,

For Neuland Laboratories Limited


Sarada Bhamidipati
Company Secretary



Encl: as above

Independent Auditor's Report on Quarterly Standalone Financial Results and Year to Date Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

To the Board of Directors of Neuland Laboratories Limited

Report on the Audit of Standalone Financial Results

Opinion

We have audited the accompanying standalone annual financial results of **Neuland Laboratories Limited** (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2022 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Board of Directors' Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are



responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence



obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

The Statement include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our Opinion is not modified in respect of the above matter.

For M S K A & Associates

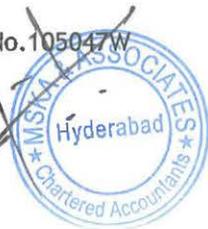
Chartered Accountants

ICAI Firm Registration No. 105047W


Amit Kumar Agarwal

Partner

Membership No. 214198



UDIN: 22214198AISEXJ8423

Place: Hyderabad, INDIA

Date: May 10, 2022

NEULAND LABORATORIES LIMITED
11th Floor (5th Office Level), Phoenix IVY Building, Plot No. 573A-III,
Road No 82, Jubilee Hills, Hyderabad - 500033

STATEMENT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended			Year Ended	Year Ended
		31.03.2022 (Unaudited)	31.12.2021 (Unaudited)	31.03.2021 (Unaudited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1	Revenue					
	(a) Revenue from operations	25,587.25	23,646.98	24,470.47	95,107.66	93,691.31
	(b) Other income	63.14	190.01	1,459.65	207.67	1,609.49
	Total Income	25,650.39	23,836.99	25,930.12	95,315.33	95,300.80
2	Expenses					
	(a) Cost of materials consumed	9,771.33	9,584.52	11,918.63	43,755.36	43,965.70
	(b) Changes in inventories of finished goods and work-in-progress	1,989.42	1,026.90	(1,040.23)	(1,541.47)	(124.45)
	(c) Employee benefits expense	4,243.57	4,569.27	4,228.42	17,575.85	14,402.20
	(d) Finance costs	277.00	332.16	457.77	1,349.44	1,789.75
	(e) Depreciation and amortisation expense	1,245.23	1,277.48	1,114.11	4,903.64	3,967.85
	(f) Manufacturing expenses	3,236.32	3,387.99	3,372.10	13,136.31	11,630.64
	(g) Other expenses	2,475.35	1,848.86	3,447.73	7,962.22	9,172.90
	Total expenses	23,238.22	22,027.18	23,498.53	87,141.35	84,804.59
3	Profit before tax (1-2)	2,412.17	1,809.81	2,431.59	8,173.98	10,496.21
4	Tax expense					
	(a) Current tax	703.04	444.31	470.06	2,042.19	1,248.29
	(b) Deferred tax	(473.52)	92.27	238.73	(221.55)	1,218.43
5	Profit for the period / year (3-4)	2,182.65	1,273.23	1,722.80	6,353.34	8,029.49
6	Other comprehensive income (net of taxes)					
	(a) Items that will not be reclassified to profit or loss					
	Re-measurement gains/(losses) on defined benefit plans	(248.46)	(49.48)	(46.89)	(396.90)	(57.45)
	Equity instruments through other comprehensive income	(0.19)	0.66	(102.54)	(302.16)	(96.26)
	Tax on items that will not be reclassified to profit or loss	62.53	12.46	11.80	99.89	14.46
	Total comprehensive income	1,996.53	1,236.87	1,585.17	5,754.17	7,890.24
7	Paid-up Equity Share Capital (Face value - ₹10 each)	1,290.05	1,290.05	1,290.05	1,290.05	1,290.05
8	Other equity (excluding revaluation reserve)				82,183.49	76,814.22
9	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)					
	(a) Basic (refer note 4)	17.01	9.92	13.43	49.52	62.58
	(b) Diluted (refer note 4)	17.01	9.92	13.43	49.52	62.58
	See accompanying notes to the financial results					



NOTES:

- 1 The financial results for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 May 2022.
- 2 The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The operations of the Company are predominantly related to the manufacture and sale of active pharmaceutical ingredients and allied services. As such there is only one primary reportable segment as per Ind AS 108 "Operating Segments".
- 4 The EPS for quarters has not been annualised.
- 5 The Board of Directors has recommended a dividend of Rs.5.00/- only per equity share of face value of Rs.10 each, for the year ended 31st March, 2022.
- 6 The figure for the quarter ended 31st March, 2022 & 31st March, 2021 are the balancing figures between the audited figures in respect of the full financial year and the published figures upto nine months of the relevant financial year.
- 7 The previous period figures have been regrouped/rearranged wherever necessary to make it comparable with the current period.

Place: Hyderabad
Date: 10 May 2022

For Neuland Laboratories Limited



Dr. D R Rao
Executive Chairman
(DIN 00107737)



NEULAND LABORATORIES LIMITED
STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS ON 31 MARCH 2022

(Amount in lakhs of ₹, unless otherwise stated)

Particulars	As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	45,712.21	40,172.16
Capital work in progress	2,045.71	1,725.02
Right of Use Assets	899.68	1,224.37
Investment property	1,965.84	1,890.64
Goodwill	27,946.10	27,946.10
Other intangible assets	212.02	349.75
Financial assets		
i) Investments	65.56	59.81
ii) Other financial assets	583.26	580.05
Non-current tax assets	519.80	609.25
Other non-current assets	138.68	2,977.16
Total non-current assets	80,088.86	77,534.31
Current assets		
Inventories	26,521.01	24,760.77
Financial assets		
i) Investments	337.68	645.57
ii) Trade Receivables	23,432.64	21,773.31
iii) Cash and cash equivalents	371.84	111.59
iv) Other bank balances	1,526.81	1,696.37
v) Other financial assets	429.63	309.31
Other current assets	5,503.62	5,520.81
Total current assets	58,123.23	54,817.73
Total assets	1,38,212.09	1,32,352.04
Equity and Liabilities		
Equity		
Equity Share Capital	1,290.05	1,290.05
Other equity	82,267.38	76,898.11
Total Equity	83,557.43	78,188.16
Liabilities		
Non current-liabilities		
Financial liability		
i) Borrowings	10,424.79	8,813.26
ii) Lease liability	693.96	958.60
Provisions	1,145.16	909.65
Deferred tax liabilities	5,578.23	5,899.66
Other non-current liabilities	-	286.48
Total non-current liabilities	17,842.14	16,867.65
Current liabilities		
Financial liability		
i) Borrowings	12,669.82	8,204.27
ii) Lease liability	264.63	253.19
iii) Trade payables		
total outstanding dues of micro enterprises and small enterprises and	1,621.11	856.79
total outstanding dues of creditors other than micro enterprises and small enterprises	10,132.43	14,817.84
iv) Other financial liabilities	5,328.35	6,462.02
Other current liabilities	121.31	6,637.86
Provisions	6,674.87	64.26
Total current liabilities	36,812.52	37,296.23
Total equity and liabilities	1,38,212.09	1,32,352.04



NEULAND LABORATORIES LIMITED
STANDALONE STATEMENT OF CASH FLOWS

(Amount in lakhs of ₹, unless otherwise stated)

Particulars	Year ended	Year ended
	31.03.2022 (Audited)	31.03.2021 (Audited)
Cash flow from operating activities		
Profit before tax	8,173.98	10,496.21
Adjustments:		
Depreciation and amortisation expense	4,903.64	3,967.85
Interest income	(99.49)	(166.73)
Loss/(Gain) on sale of investment properties, net	-	(1,309.25)
Finance costs	1,349.44	1,789.75
Unrealised foreign exchange (gain)/loss, net	289.84	(135.12)
Unrealised (gain) / loss on forward contracts	(58.65)	-
Provision towards doubtful trade receivables	56.79	385.33
Provision for employee benefits	(4.45)	(514.88)
Operating cash flows before working capital changes	14,611.10	14,513.16
Changes in inventories	(1,760.24)	(2,806.03)
Changes in trade receivables	(1,710.01)	(3,007.49)
Changes in other assets	1,772.76	(895.03)
Changes in trade payables	(3,906.13)	3,682.18
Changes in other financial assets	(70.66)	326.78
Changes in other financial liabilities	(774.98)	3,018.32
Changes in other liabilities	(249.47)	4,614.89
Cash generated from operating activities	7,912.37	19,446.78
Income-taxes paid, net	(2,052.62)	(519.25)
Net cash generated from operating activities (A)	5,859.75	18,927.53
Cash flows from investing activities		
Purchase of property, plant and equipment and other intangible assets	(9,588.68)	(10,538.82)
Proceeds from sale of property, plant and equipment	43.61	0.85
Investment properties	(101.48)	-
Movement in other bank balances	166.06	1,881.34
Interest income received	108.77	215.12
Net cash used in investing activities (B)	(9,371.72)	(8,441.51)
Cash flows from financing activities		
Proceeds from short-term borrowings, net	3,479.54	(11,143.58)
Proceeds from long-term borrowings	4,512.68	3,636.46
Repayment of long-term borrowings	(2,226.07)	(1,459.17)
Repayment of lease liability	(253.20)	(253.53)
Dividend paid	(384.90)	(256.60)
Interest on lease liability	(80.10)	(98.02)
Interest paid	(1,275.73)	(1,791.52)
Net cash generated from / (used in) financing activities (C)	3,772.22	(11,365.96)
Net (decrease)/ increase in cash and cash equivalents during the period (A + B + C)	260.25	(879.94)
Cash and cash equivalents at the beginning of the year	111.59	991.53
Cash and cash equivalents at the end of the year	371.84	111.59



**Independent Auditor's Report on Quarterly Consolidated Financial Results and Year to Date
Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and
Disclosure Requirements) Regulations 2015**

To the Board of Directors of Neuland Laboratories Limited [Holding Company]

Report on the Audit of Consolidated Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of **Neuland Laboratories Limited** (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), for the quarter and year ended March 31, 2022, ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial statements of the subsidiaries, the aforesaid Statement:

(i) include the annual financial results of the following entities

Sr. No	Name of the Entity	Relationship with the Holding Company
1	Neuland Laboratories K.K., Japan	Wholly Owned Subsidiary
2	Neuland Laboratories Inc., USA	Wholly Owned Subsidiary

(ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a basis for our opinion.



Board of Directors' Responsibilities for the Consolidated Financial Results

These Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial



controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent possible.

Other Matters

1. The Statement includes the audited Financial Results of aforesaid two subsidiaries, whose Financial Results reflect Group's share of total assets (before consolidation adjustments) of Rs. 694.19 lakhs as at March 31, 2022, Group's share of total revenue (before consolidation adjustments) of Rs. 226.87 and Rs. 886.87 lakhs and Group's share of total net profit after tax (before consolidation adjustments) of Rs. 1.95 and 28.86 lakhs for the quarter ended March 31, 2022, and for the period from April 01, 2021 to March 31, 2022 respectively, as considered in the Statement, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements of these entities have been furnished to us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above. Further, both these subsidiaries are located outside India whose financial statements have been



prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management.

Our opinion on the Statement is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results certified by the Board of Directors.

2. The Statement include the results for the quarter ended March 31, 2022 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

Our opinion is not modified in respect of this matter

For M S K A & Associates
Chartered Accountants
ICAI Firm Registration No.105047W


Amit Kumar Agarwal
Partner
Membership No. 214198



UDIN: 22214198AISGOF8153
Place: Hyderabad, INDIA
Date: May 10, 2022

NEULAND LABORATORIES LIMITED
STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2022

(Amount in lakhs of ₹, unless otherwise stated)

Sl. No.	Particulars	Quarter Ended			Year Ended	Year Ended
		31.03.2022 (Unaudited)	31.12.2021 (Unaudited)	31.03.2021 (Unaudited)	31.03.2022 (Audited)	31.03.2021 (Audited)
1	Revenue					
	(a) Revenue from operations	25,587.25	23,646.98	24,470.47	95,107.66	93,691.31
	(b) Other income	63.15	190.01	1,459.65	207.68	1,609.51
	Total Income	25,650.40	23,836.99	25,930.12	95,315.34	95,300.82
2	Expenses					
	(a) Cost of materials consumed	9,771.33	9,584.53	11,918.63	43,755.36	43,965.70
	(b) Changes in inventories of finished goods and work-in-progress	1,989.42	1,026.90	(1,040.23)	(1,541.47)	(124.45)
	(c) Employee benefits expense	4,396.96	4,803.67	4,342.41	18,247.23	14,973.67
	(d) Finance costs	277.03	332.18	457.79	1,349.51	1,789.83
	(e) Depreciation and amortisation expense	1,245.41	1,277.48	1,114.21	4,904.02	3,968.26
	(f) Manufacturing expenses	3,236.32	3,387.99	3,372.10	13,136.31	11,630.64
	(g) Other expenses	2,306.41	1,600.65	3,326.20	7,248.13	8,563.82
	Total expenses	23,222.88	22,013.40	23,491.11	87,099.09	84,767.47
3	Profit before tax (1-2)	2,427.52	1,823.59	2,439.01	8,216.25	10,533.35
4	Tax expense					
	(a) Current tax	710.29	437.76	474.90	2,042.90	1,255.73
	(b) Deferred tax	(460.84)	92.27	234.85	(208.85)	1,214.55
5	Profit for the period / year (3-4)	2,178.07	1,293.56	1,729.26	6,382.20	8,063.07
6	Other comprehensive income (net of taxes)					
	(a) Items that will not be reclassified to profit or loss					
	Re-measurement gains/(losses) on defined benefit plans	(248.46)	(49.48)	(46.89)	(396.90)	(57.45)
	Equity instruments through other comprehensive income	(0.19)	0.66	(102.54)	(302.16)	(96.26)
	Tax on items that will not be reclassified to profit or loss	62.53	12.46	11.80	99.89	14.46
	(b) Items to be reclassified to profit or loss					
	Exchange differences in translating the financial statements of a foreign operations	2.74	2.64	(10.70)	6.18	(17.22)
	Total comprehensive income	1,994.69	1,259.84	1,580.93	5,789.21	7,906.60
7	Paid-up Equity Share Capital (Face value - ₹10 each)	1,290.05	1,290.05	1,290.05	1,290.05	1,290.05
8	Other equity (excluding revaluation reserve)				82,676.14	77,271.83
9	Earnings Per Share (of ₹10 each) (In absolute ₹ terms)					
	(a) Basic (refer note 5)	16.97	10.08	13.48	49.74	62.85
	(b) Diluted (refer note 5)	16.97	10.08	13.48	49.74	62.85
	See accompanying notes to the financial results					

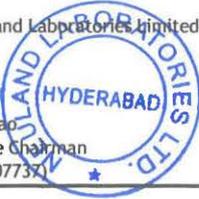


NOTES:

- 1 The financial results for the quarter and year ended 31 March 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 10 May 2022.
- 2 The financial results have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3 The Consolidated Financial Results include results of the following wholly owned subsidiaries:
(a) Neuland Laboratories Inc., USA;
(b) Neuland Laboratories KK., Japan.
- 4 The operations of the Company and its subsidiaries are predominantly related to the manufacture and sale of active pharmaceutical ingredients and allied services. As such there is only one primary reportable segment as per Ind AS 108 "Operating Segments".
- 5 The EPS for quarters has not been annualised.
- 6 The Board of Directors has recommended a dividend of Rs.5.00/- only per equity share of face value of Rs.10 each, for the year ended 31st March, 2022.
- 7 The figure for the quarter ended 31st March, 2022 & 31st March, 2021 are the balancing figures between the audited figures in respect of the full financial year and the published figures upto nine months of the relevant financial year.
- 8 The previous period figures have been regrouped/rearranged wherever necessary to make it comparable with the current period.

Place: Hyderabad
Date: 10 May 2022

For Neuland Laboratories Limited



Dr. D R Rao
Executive Chairman
(DIN 00107737)



NEULAND LABORATORIES LIMITED
STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS ON 31 MARCH 2022

(Amount in lakhs of ₹, unless otherwise stated)

Particulars	As at 31.03.2022 (Audited)	As at 31.03.2021 (Audited)
Assets		
Non-current assets		
Property, plant and equipment	45,712.23	40,173.45
Capital work in progress	2,045.71	1,725.02
Right of Use Assets	899.68	1,224.37
Investment property	1,965.84	1,890.64
Goodwill	27,946.10	27,946.10
Other intangible assets	212.02	349.75
Financial assets		
i) Investments	49.74	44.00
ii) Other financial assets	586.24	584.04
Non-current tax assets	515.01	605.51
Other non-current assets	138.68	2,977.16
Total non-current assets	80,071.25	77,520.04
Current assets		
Inventories	26,521.01	24,760.77
Financial assets		
i) Investments	337.68	645.57
ii) Trade Receivables	23,432.64	21,773.31
iii) Cash and cash equivalents	509.14	243.56
iv) Other bank balances	1,526.81	1,696.37
v) Other financial assets	429.63	309.31
Other current assets	5,520.68	5,529.83
Total current assets	58,277.59	54,958.72
Total assets	1,38,348.84	1,32,478.76
Equity and Liabilities		
Equity		
Equity Share Capital	1,290.05	1,290.05
Other equity	82,760.03	77,355.72
Total Equity	84,050.08	78,645.77
Liabilities		
Non current-liabilities		
Financial liability		
i) Borrowings	10,424.79	8,813.26
ii) Lease liability	693.96	958.60
Provisions	1,191.43	943.89
Deferred tax liabilities	5,669.94	5,975.68
Other non-current liabilities	2.98	290.47
Total non-current liabilities	17,983.10	16,981.90
Current liabilities		
Financial liability		
i) Borrowings	12,669.82	8,204.27
ii) Lease liability	264.63	253.19
iii) Trade payables		
total outstanding dues of micro enterprises and small enterprises and	1,621.11	856.79
total outstanding dues of creditors other than micro enterprises and small enterprises	9,605.67	14,356.66
iv) Other financial liabilities	5,348.66	6,467.99
Other current liabilities	121.31	6,647.93
Provisions	6,684.46	64.26
Total current liabilities	36,315.66	36,851.09
Total equity and liabilities	1,38,348.84	1,32,478.76



NEULAND LABORATORIES LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS

(Amount in lakhs of ₹, unless otherwise stated)

Particulars	Year ended	Year Ended
	31.03.2022 (Audited)	31.03.2021 (Audited)
Cash flow from operating activities		
Profit before tax	8,216.25	10,533.35
Adjustments:		
Depreciation and amortisation expense	4,904.02	3,968.26
Interest income	(99.50)	(166.75)
Loss/(Gain) on sale of investment properties, net	-	(1,309.25)
Finance costs	1,349.51	1,789.83
Unrealised foreign exchange (gain)/loss, net	289.84	(147.80)
Unrealised (gain) / loss on forward contracts	(58.65)	-
Provision towards doubtful trade receivables	56.79	385.33
Provision for employee benefits	7.58	(511.16)
Operating cash flows before working capital changes	14,665.84	14,541.81
Changes in inventories	(1,760.24)	(2,806.03)
Changes in trade receivables	(1,710.01)	(3,007.50)
Changes in other assets	1,764.72	(897.66)
Changes in trade payables	(3,971.71)	3,664.55
Changes in other financial assets	(69.65)	327.92
Changes in other financial liabilities	(760.64)	3,023.22
Changes in other liabilities	(250.96)	4,617.15
Cash generated from operating activities	7,907.35	19,463.46
Income-taxes paid, net	(2,049.28)	(527.29)
Net cash generated from operating activities (A)	5,858.07	18,936.17
Cash flows from investing activities		
Purchase of property, plant and equipment and other intangible assets	(9,587.79)	(10,539.70)
Proceeds from sale of property, plant and equipment	43.61	0.85
Purchase of investments property	(101.48)	-
Movement in other bank balances	166.06	1,881.34
Interest income received	108.78	215.14
Net cash used in investing activities (B)	(9,370.82)	(8,442.37)
Cash flows from financing activities		
Proceeds from short-term borrowings, net	3,479.54	(11,143.58)
Proceeds from long-term borrowings	4,512.68	3,636.46
Repayment of long-term borrowings	(2,226.07)	(1,459.17)
Repayment of lease liability	(253.20)	(253.53)
Dividend paid	(384.90)	(256.60)
Interest on lease liability	(80.10)	(98.02)
Interest paid	(1,275.80)	(1,791.60)
Net cash generated from / (used in) financing activities (C)	3,772.15	(11,366.04)
Net (decrease)/ increase in cash and cash equivalents during the period (A + B + C)	259.40	(872.24)
Cash and cash equivalents at the beginning of the year	243.56	1,120.35
Effect of exchange rate changes on cash and cash equivalents	6.18	(4.55)
Cash and cash equivalents at the end of the year	509.14	243.56





Neuland FY22 income at Rs.953.2 crore

EBITDA at Rs. 144.3 crore

Hyderabad, India, May 10, 2022 - Neuland Laboratories Limited (NLL) (NSE: NEULANDLAB; BSE:524558), a pharmaceutical manufacturer providing active pharmaceutical ingredients (APIs), complex intermediates and custom manufacturing solutions services to customers located in around 80 countries, today announced financial results for the fourth quarter and year ended March 31, 2022.

Commenting on the performance Mr. Sucheth Davuluri, Vice-Chairman and Chief Executive Officer of the Company said, “The past financial year was marked by a flat revenue, owing principally to weak GDS offtake from our customers. Given our focus on building execution excellence, we remain confident about the long-term prospects of all our businesses despite facing certain technical issues with some late-stage CMS projects.”

In addition, Mr. Saharsh Davuluri, Vice Chairman and Managing Director, Neuland Labs added “Our performance this year was a mixed bag. While our GDS business experienced a revenue decrease due to volume drop in certain key products, our input cost structures experienced an unusual increase. Given our focus on delivering complex projects in line with clients’ technical requirements, we retain our optimism that the overall business will grow in line with our stated expectations and reflect increased margins over the long term.”

Financial Summary

Particulars	Rs. crore							
	Q4FY22	Q3FY22	QoQ Growth (%)	Q4FY21	YoY Growth (%)	FY22	FY21	YoY Growth (%)
Total Income	256.5	238.4	7.6%	259.3	(1.1)%	953.2	953.0	0.0%
EBITDA	39.3	34.2	15.1%	40.0	(1.7)%	144.3	162.5	(11.2)%
EBITDA margin (%)	15.3%	14.3%	100 bps	15.4%	(10) bps	15.1%	17.1%	(200) bps
PAT	21.8	12.7	71.4%	17.2	26.7%	63.5	80.3	(20.9)%
PAT margin (%)	8.5%	5.3%	320 bps	6.6%	190 bps	6.7%	8.4%	(170) bps
EPS (Basic) Rs.	17.0	9.9	71.4%	13.4	26.7%	49.5	62.6	(20.9)%

Q4 FY22 Earnings Call

The company will conduct a one-hour Earnings call at **18:00 hrs. IST on Tuesday, May 10, 2022** where the management will discuss the Company’s performance and answer questions from participants. To participate in this conference call, please register on the Zoom link below:

[Zoom Link](#)



Please note that the transcript of the conference call will be uploaded on the company website in due course.

About Neuland Laboratories Limited

For over 38 years, Neuland Labs has been at the forefront of manufacturing APIs through its cGMP manufacturing facilities, working with customers in close to 80 countries. Neuland Labs has developed more than 300 processes and 75 APIs and has filed over 903+ Regulatory filings in the US (60 active US DMFs), the European Union (EU) and other geographies. Its manufacturing facilities are inspected and approved by the U.S. FDA and other leading regulatory agencies. Its record of quality manufacturing and reliability is highlighted by cGMP certifications that include the U.S. FDA, TGA (Australia), EDQM (EU), German Health Authority, ANVISA (Brazil), EMA (EU), Cofepris (Mexico), KFDA (Korea), PMDA (Japan), CFDA (China), FSI "SID &GP" Russia, Health Canada, ISO 9001, ISO14001, OHSAS18001 and ISO 27001. For more information, visit www.NeulandLabs.com.

If you have any questions or require further information, please feel free to contact

IR Department at Neuland

Tel: +91 40 6761 1600

Email: ir@neulandlabs.com

Diwakar Pingle, EY IR

Email: diwakar.pingle@in.ey.com



Earnings Presentation

Q4 FY 22

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.



Q4 & FY-22
HIGHLIGHTS



BUSINESS OVERVIEW



CAPABILITIES



FINANCIALS



OUTLOOK





Q4 & FY-22 HIGHLIGHTS

SUCHETH DAVULURI



"The past financial year was marked by a flat revenue, owing principally to weak GDS offtake from our customers. Given our focus on building execution excellence, we remain confident about the long-term prospects of all our businesses despite facing certain technical issues with some late-stage CMS projects."

SAHARSH DAVULURI



"Our performance this year was a mixed bag. While our GDS business experienced a revenue decrease due to volume drop in certain key products, our input cost structures experienced an unusual increase. Given our focus on delivering complex projects in line with clients' technical requirements, we retain our optimism that the overall business will grow in line with our stated expectations and reflect increased margins over the long term."

FY22



Business Highlights

- ❖ Growth from development projects was offset by Inventory destocking and lower offtake at customers' end
- ❖ Focus on creating execution & project management excellence even as we handle multiple complex late-stage projects
- ❖ Increased headcount to account for higher business volumes in coming quarters
- ❖ Filed 5 USDMFs during the year - (Tafamidis Megulumine, Vilanterol, Elagolix, Linezolid, Aripiprazole (Sterile))



Financial Highlights

- ❖ Total income was Rs. 953.2 crore in FY22, as compared to Rs. 953.0 in crore in FY21*
- ❖ EBITDA margin decreased by 200 bps from 17.1% to **15.1%** in FY22 due to
 - Logistics issues
 - Higher manpower and other expenses arising from Unit 3 commercialization
- ❖ PAT decreased by 20.9% to Rs. 63.5 crores on account of
 - Higher depreciation led by Unit 3 commercialization

* FY21 Total Income included other income of Rs. 13.09 crores towards profit on sale of investment property

Q4 FY22



Business Highlights

- ❖ In Prime segment, Mirtazapine, Labetalol & Levofloxacin performed well.
- ❖ Specialty had a decent growth quarter with revenues coming from Dorzolamide & Entacapone
- ❖ CMS revenues driven by product volumes which have recently moved to commercialization stage
- ❖ Filed DMFs for Elagolix Sodium & Linezolid



Financial Highlights

- ❖ Total income was Rs. 256.5 crore in Q4FY22, a decrease of 1.1% YoY*
- ❖ EBITDA margin decreased by 10 bps from 15.4% to **15.3%** in Q4FY22 due to
 - Increase in input prices, shipping costs and logistics issues
- ❖ PAT increased by 26.7% to Rs. 21.8 crores on account of
 - Reversal of higher deferred tax made earlier

* Q4 FY21 Total Income included other income of Rs. 13.09 crores towards profit on sale of investment property

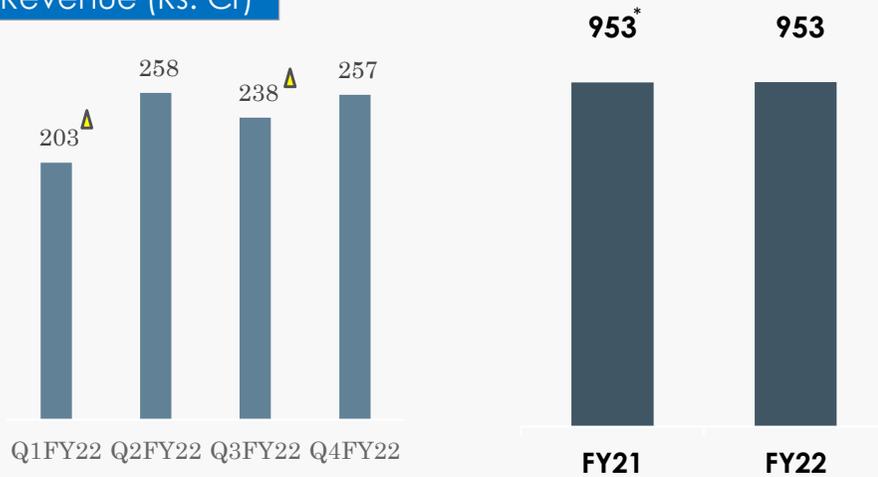
Profit & Loss Snapshot (Standalone)

Particulars (Rs. Cr)	Q4FY22	Q3FY22	QoQ (%)	Q4FY21	YoY (%)	FY22	FY21	YoY (%)
Total Income	256.5	238.4	7.6%	259.3*	(1.1) %	953.2	953.0*	0.0%
EBITDA	39.3	34.2	15.1%	40.0	(1.7)%	144.3	162.5	(11.2)%
<i>EBITDA Margin</i>	15.3%	14.3%	100 Bps	15.4%	(10) Bps	15.1%	17.1%	(200) Bps
Profit Before Tax	24.1	18.1	33.3%	24.3	(0.8)%	81.7	105.0	(22.1)%
<i>Profit Before Tax Margin</i>	9.4%	7.6%	180 Bps	9.4%	-	8.6%	11.0%	(240) Bps
Profit After Tax	21.8	12.7	71.4%	17.2	26.7%	63.5	80.3	(20.9)%
<i>Profit After Tax Margin</i>	8.5%	5.3%	320 Bps	6.6%	190 Bps	6.7%	8.4%	(170) Bps
Earnings Per Share (Rs.)	17.0	9.9	71.4%	13.4	26.7%	49.5	62.6	(20.9)%

* Q4FY21 & FY21 Total Income included other income of Rs. 13.09 crores towards profit on sale of investment property

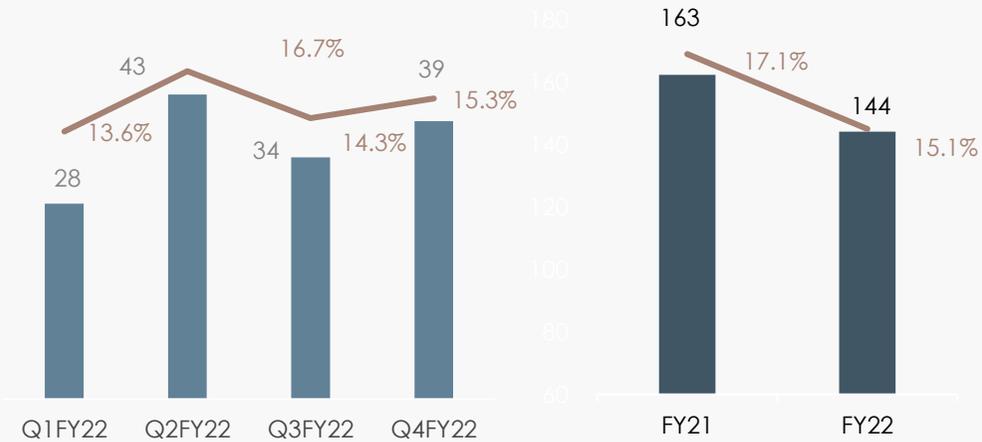
Financials (standalone)

Revenue (Rs. Cr)

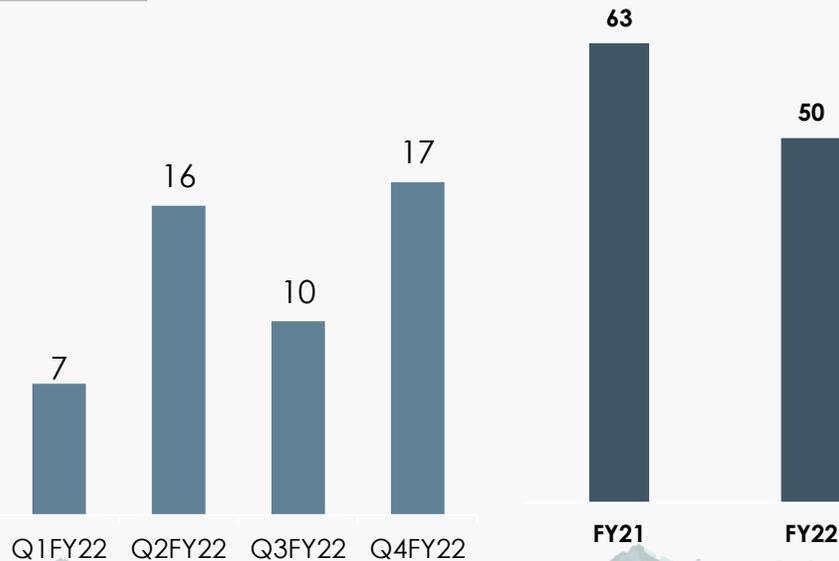


▲ Certain items classified as revenue in Q1 & Q3 have been reclassified as expenses to the tune of Rs. 2.8 Cr

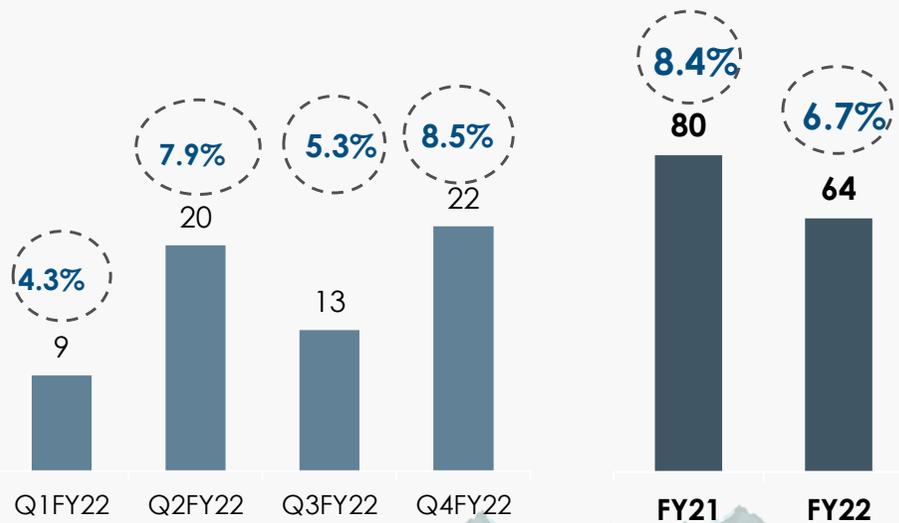
EBITDA (Rs. Cr) and EBITDA Margin (%)



EPS (Rs)



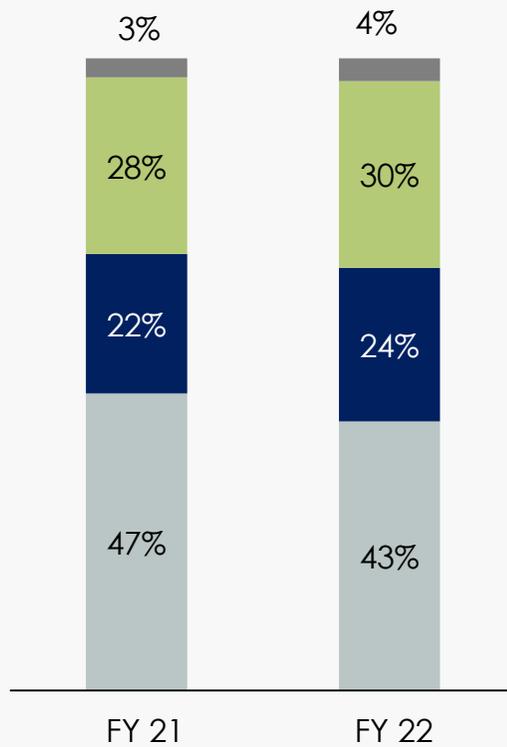
PAT (Rs. Cr)



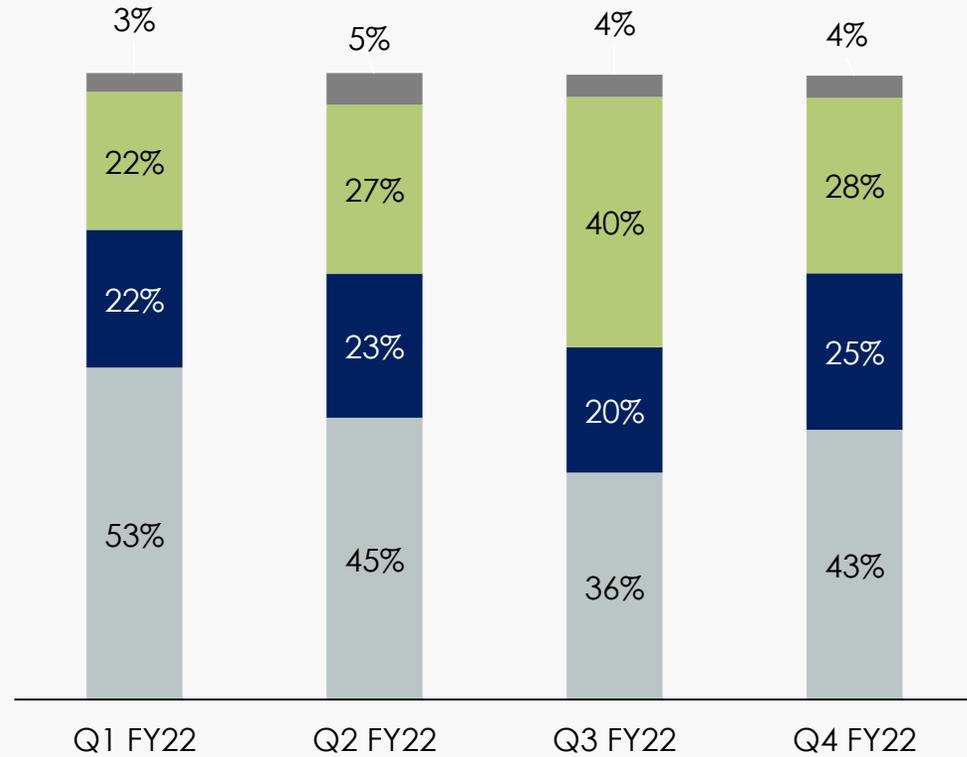
* FY21 Total Income included other income of Rs. 13.09 crores towards profit on sale of investment property

Key Operating Metrics

YoY Analysis



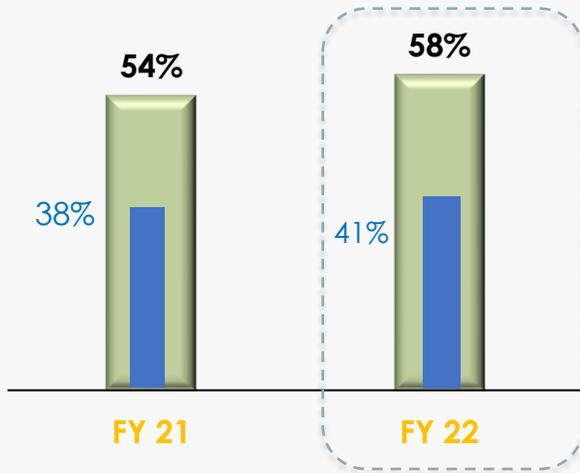
Quarter on Quarter Movement



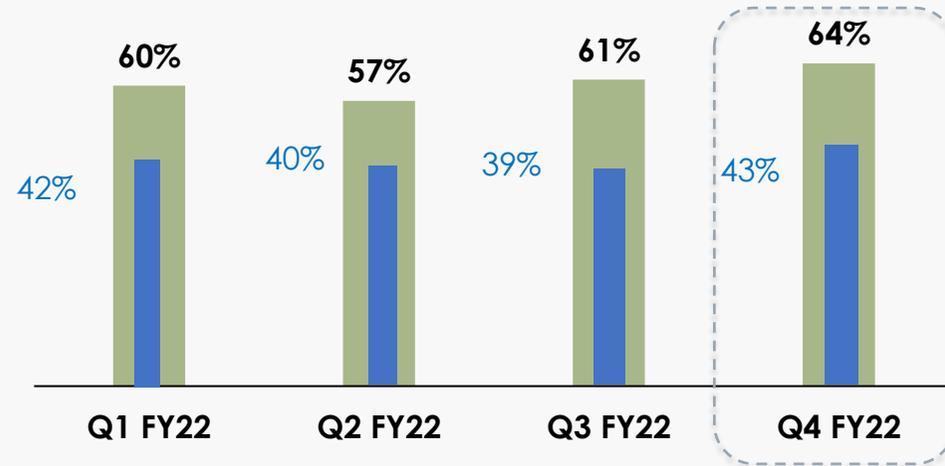
■ Prime ■ Speciality ■ CMS ■ Others

Business Salience (Overall Company)

PRODUCT YoY Analysis

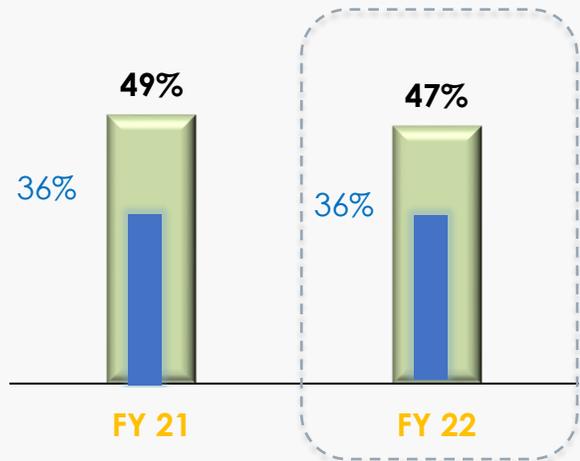


QoQ Movement

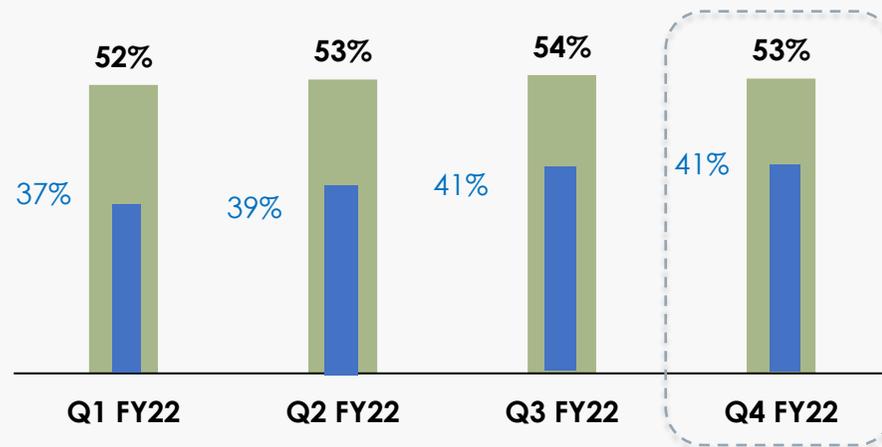


TOP 10
TOP 5
% of Total revenue

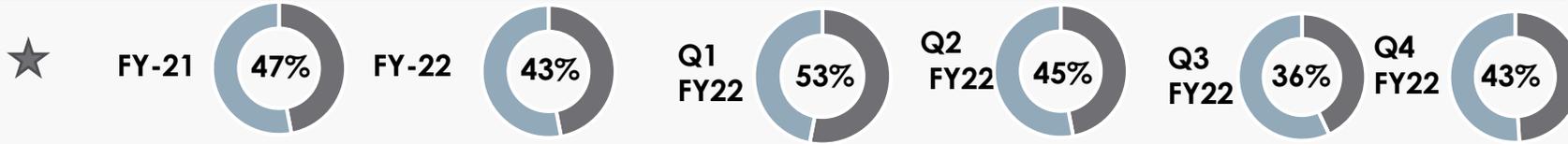
CUSTOMER YoY Analysis



QoQ Movement

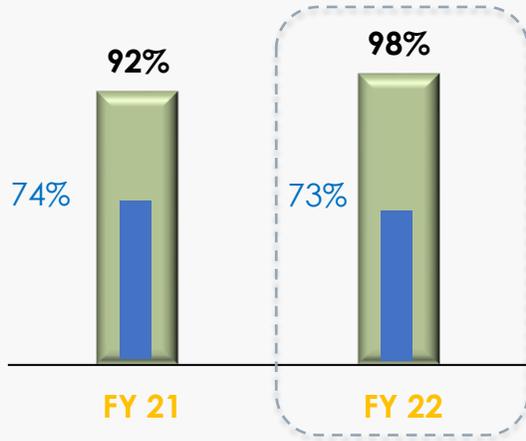


Business Salience (Prime)

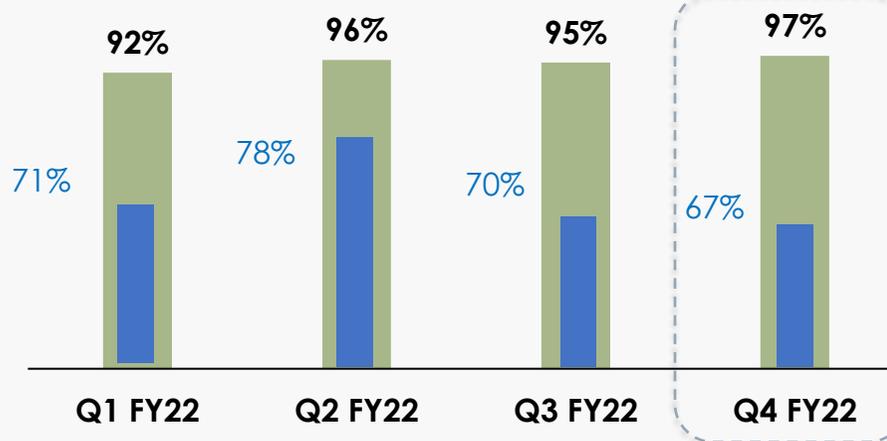


PRODUCT

YoY Analysis



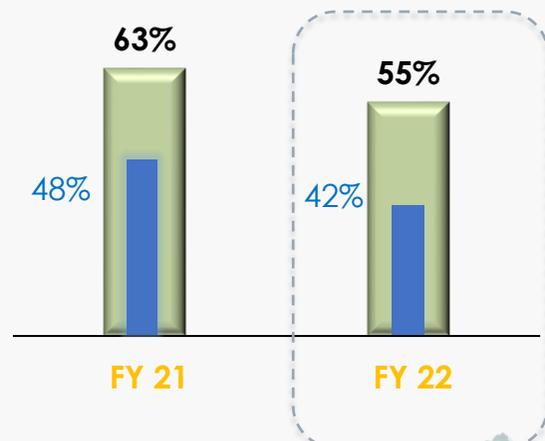
QoQ Movement



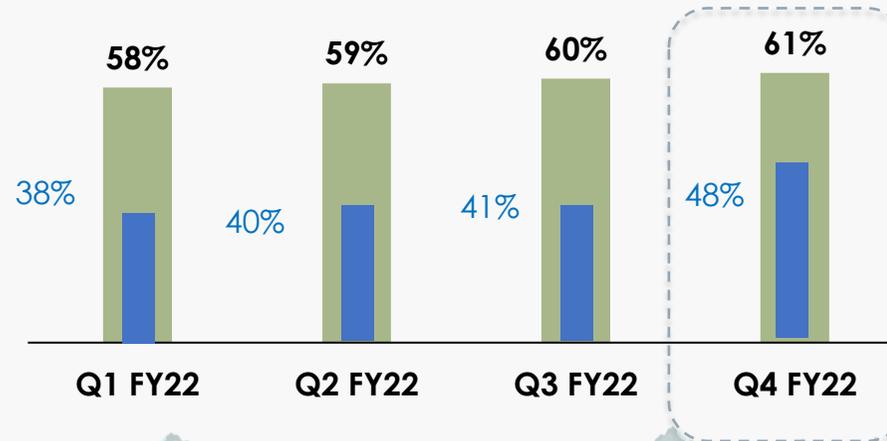
TOP 10
TOP 5
(of Prime revenue)

CUSTOMER

YoY Analysis

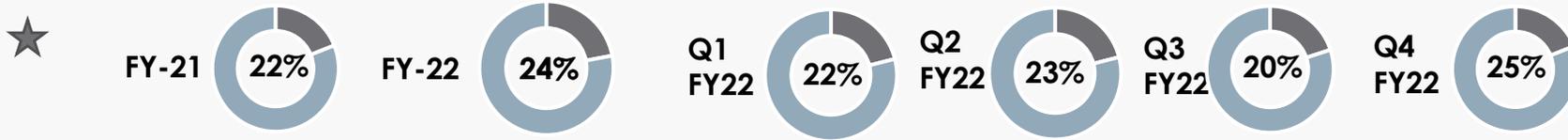


QoQ Movement



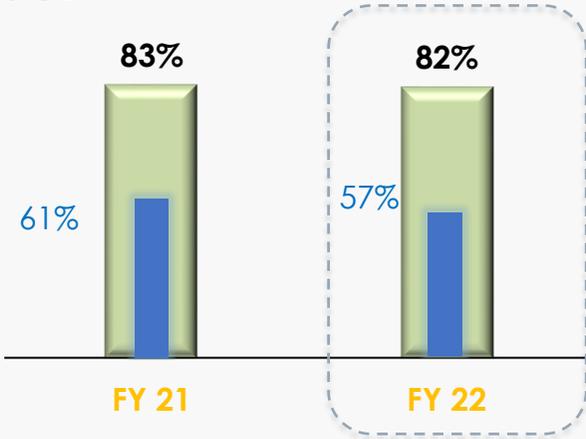
★ % represents Niche / Speciality % from Overall revenue for respective Quarter / YTD

Business Salience (Specialty)

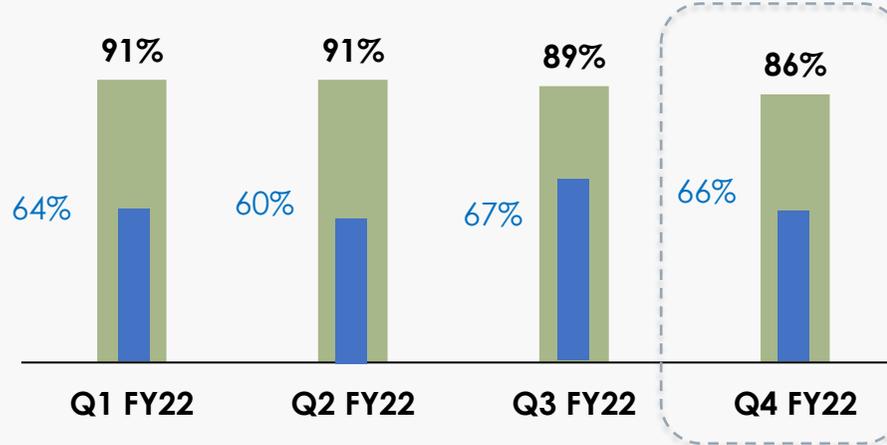


PRODUCT

YoY Analysis



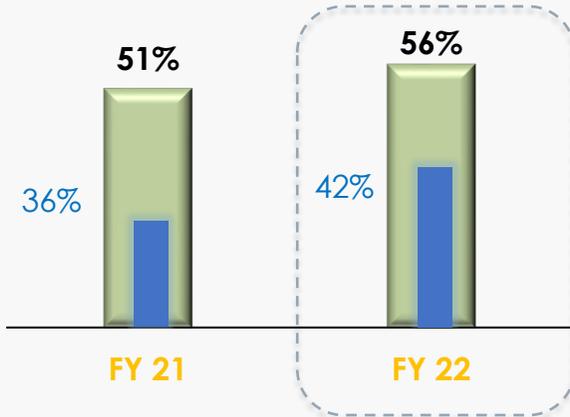
QoQ Movement



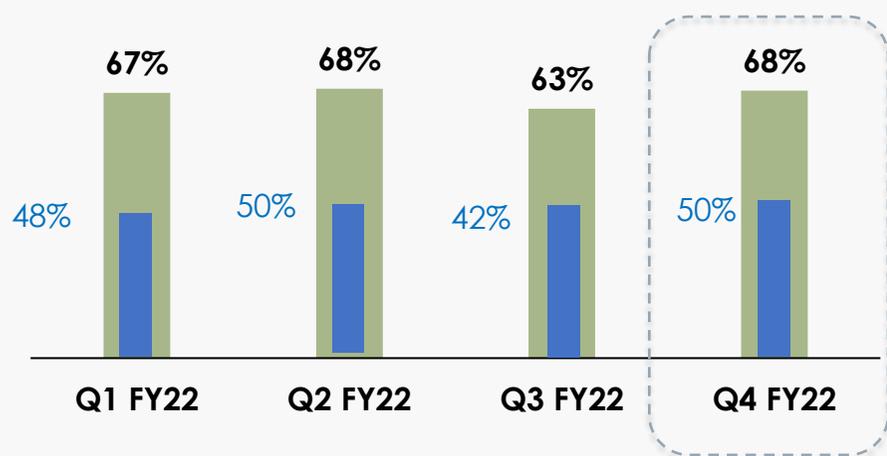
TOP 10
TOP 5
(of Specialty Revenue)

CUSTOMER

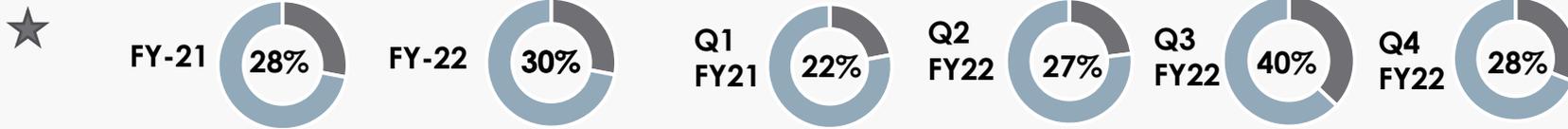
YoY Analysis



QoQ Movement



Business Salience (CMS)

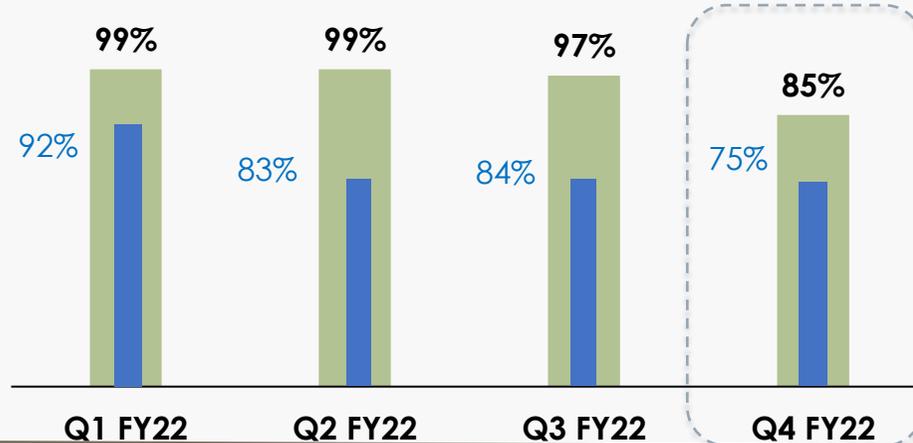


PRODUCT

YoY Analysis



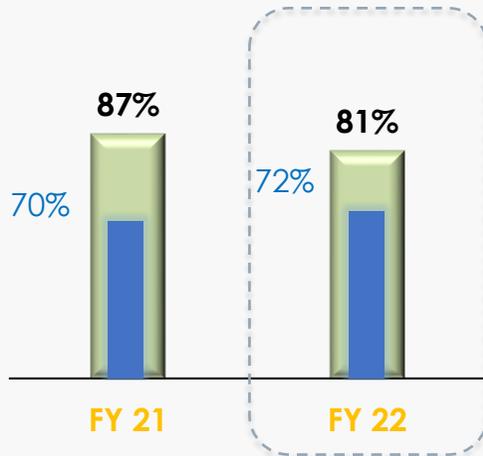
QoQ Movement



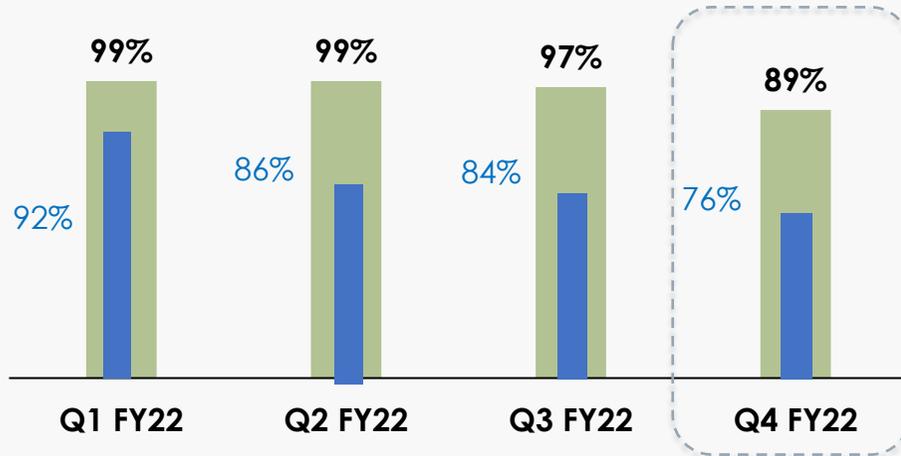
TOP 10
TOP 5
(of CMS revenue)

CUSTOMER

YoY Analysis



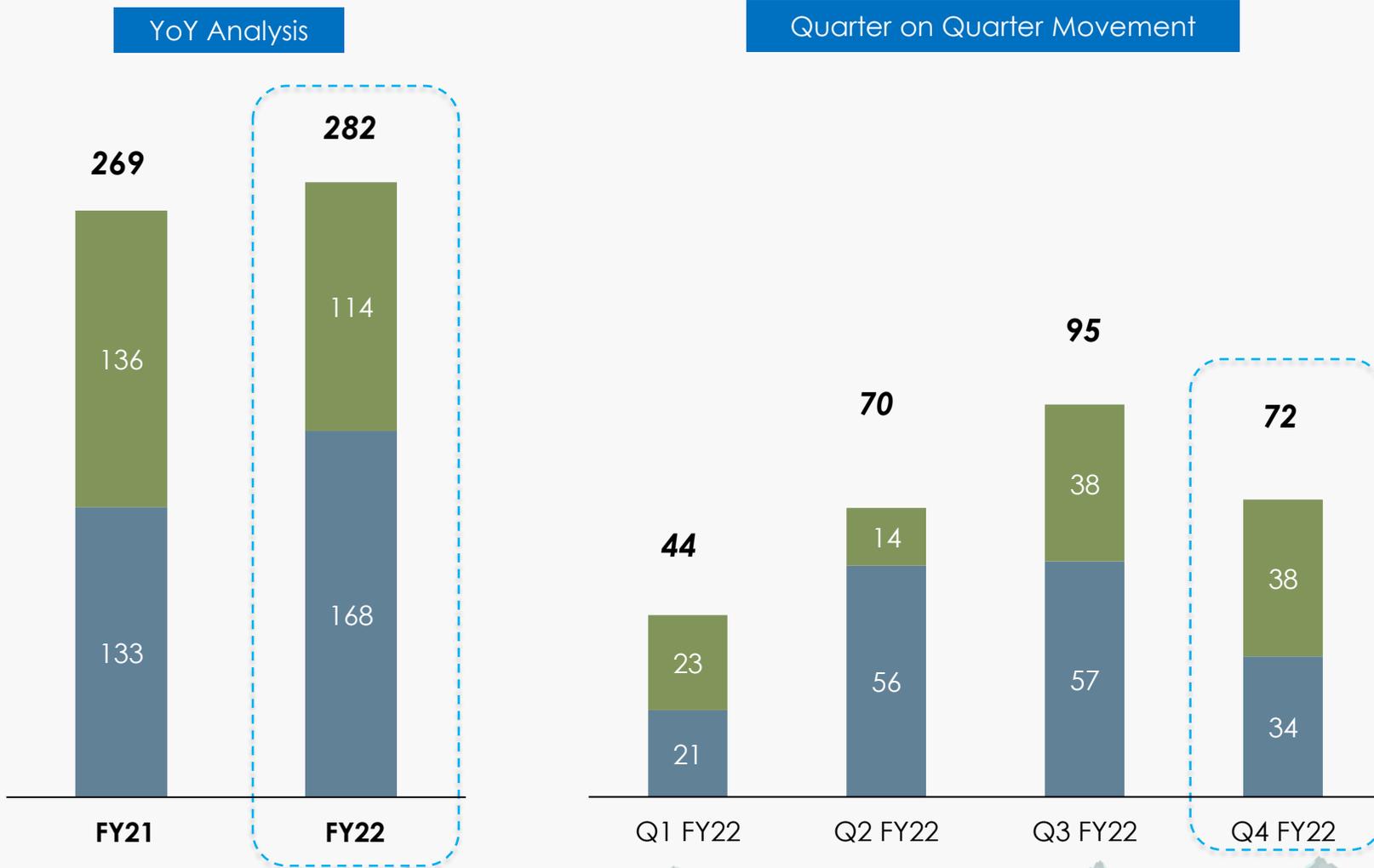
QoQ Movement



Key Operating Metrics – CMS Revenue Split

Rs. In Cr

■ Commercial ■ Development



Number of Active CMS Projects

Q4 FY22	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	14	3	7	7	8	8	47
Intermediate	7	5	2	0	8	12	34
Grand Total	21	8	9	7	16	20	81

Q4 FY21	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	15	3	7	3	12	6	46
Intermediate	7	4	2	0	8	11	32
Grand Total	22	7	9	3	20	17	78

Q4 FY20	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	12	4	5	5	9	6	41
Intermediate	7	4	2	5	8	9	35
Grand Total	19	8	7	10	17	15	76

Q4 FY19	Pre-Clinical	P-1	P-2	P-3	Development	Commercial	Grand Total
API	10	4	2	4	5	5	30
Intermediate	0	2	0	6	8	10	26
Grand Total	10	6	2	10	13	15	56



BUSINESS OVERVIEW

Our Journey – Key Milestones



Successfully cleared 15 USFDA inspections.

Multiple audits passed with no major observations



Year	Milestone
1984	Incorporated
1986	First API sale of Salbutamol Sulphate / Albuterol Sulphate
1994	Neuland goes public
1997	First US FDA Audit
2004	USA Operation
2007	Japan Subsidiary
2008	R&D Centre established; EDQM Audit of Unit-1
2009	PMDA, Japan Approval First NCE Approval
2013	Strategic alignment of business towards niche API's & Custom Manufacturing Solutions
2015	10th US FDA Audit
2016	R&D Facility approved by US FDA
2017	Among first 3 API facilities in India to be audited by CFDA (Unit-1) EDQM Audit of Unit-2
2018	Acquisition of advanced intermediates & API Facility
2019	Increased flow of projects from CMS Japan Active emphasis on supply chain de-risking
2020	100 Mn+ Revenue over 75 Live CMS Projects 15th US FDA Audit of Unit-2
2021	Unit - 3 Commercialization 271 KL Reaction volume

Generic Drug Substance (GDS)

We started as a Prime API manufacturer...

..Added Speciality molecules for complex products..



Capability

- ✓ 3 US FDA and EU GMP compliant manufacturing facilities
- ✓ Collective capacity: ~860 KL



Business Approach

- ✓ Work on molecules either with a business leadership approach or partnership with client
- ✓ Ensure uninterrupted supply with quality commitment



Strategy Forward

- ✓ Maintain leadership position in key molecules
- ✓ Work on process optimization to improve yields, productivity and thus margins



Capability

- ✓ High end complex chemistry capabilities
- ✓ Backend support by R&D department
- ✓ Experience of hurdle free scale up



Business Approach

- ✓ Work with leading companies and help them to meet their technical requirements while being competitive



Strategy Forward

- ✓ Focus on niche APIs with complex chemistry
- ✓ File IP for non infringing processes

Robust manufacturing base placed on the foundation of quality and pureplay API commitment



Services

- ✓ Manufacturing API to customer specifications
- ✓ Designing and developing manufacturing processes
- ✓ Process optimization for competitiveness
- ✓ Complete CMC partner for the API
- ✓ Patent protection for processes



Business Approach

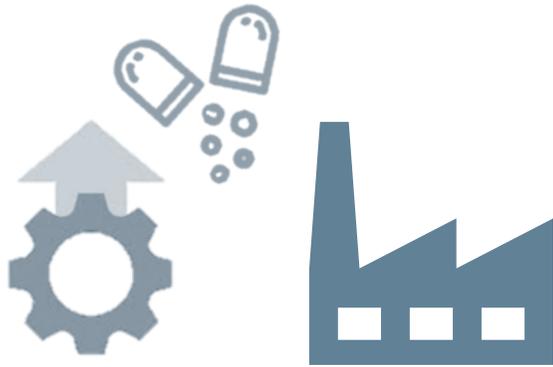
- ✓ Local presence in US, Europe and Japan with technical as well as commercial employees
- ✓ Consultative approach on customer relationships
- ✓ Business targeted on Neuland's technology capabilities and perceived customer needs leading to increased traction



Strategy Forward

- ✓ Add depth in technical capabilities
- ✓ Investment in QBD labs, process engineering and foray into new areas of customer solutions
- ✓ Work effectively on customer relationships and leverage on portfolio expansion
- ✓ Targeting molecules in the later stages of the clinical cycle

Create a sustainable CMS business that is driven by technology and strong customer relationships



CAPABILITIES

Scaled up Manufacturing Facilities over the years



UNIT-1 233 KL
Bonthapally, Hyderabad



UNIT-2 363 KL
Pashamylaram, Hyderabad



UNIT-3 305 KL
Gaddapotharam, Hyderabad

Year of Establishment

1986

1994

2017*

Blocks

Block - 1, 2, 3, 4, H, KL & S

34 Block-1, 2, 3, FC, NMSM, Mini plant6

Block - 1, 2, 4, 5

Hydrogenation Reaction Volume

7.4KL

6KL

Facility creation under process

Solvent Recovery System

100KLD

20KLD

50KLD

Cryogenic Reaction Volume

25KL

15KL

15KL

Regulatory

USFDA, EDQM, CFDA, PMDA, et. al

USFDA, EDQM, PMDA, ANVISA et. al

Desktop Inspection by USFDA in 2020; ANVISA (Brazil) 2022

R&D Facility, Hyderabad

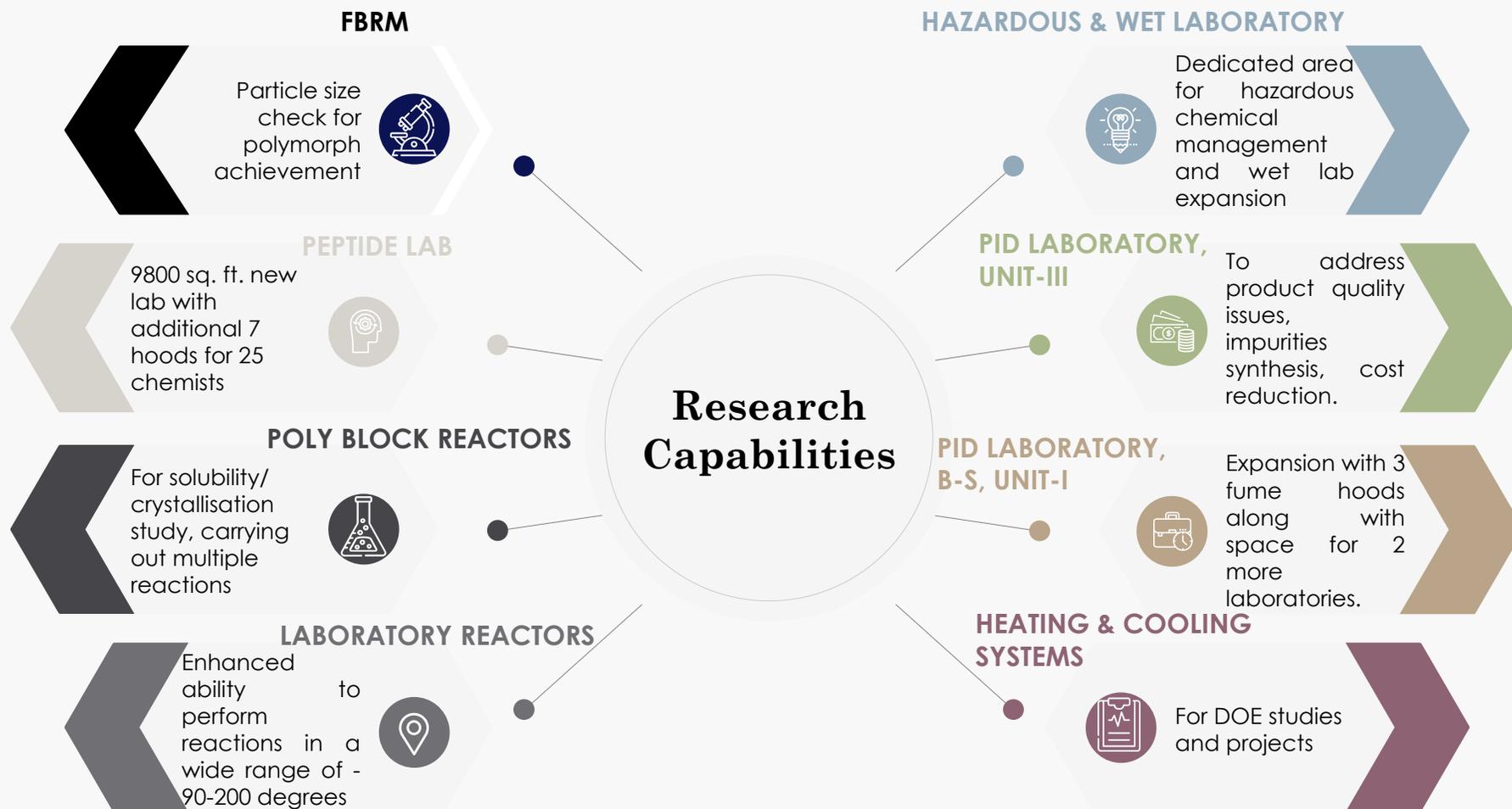


Infrastructure

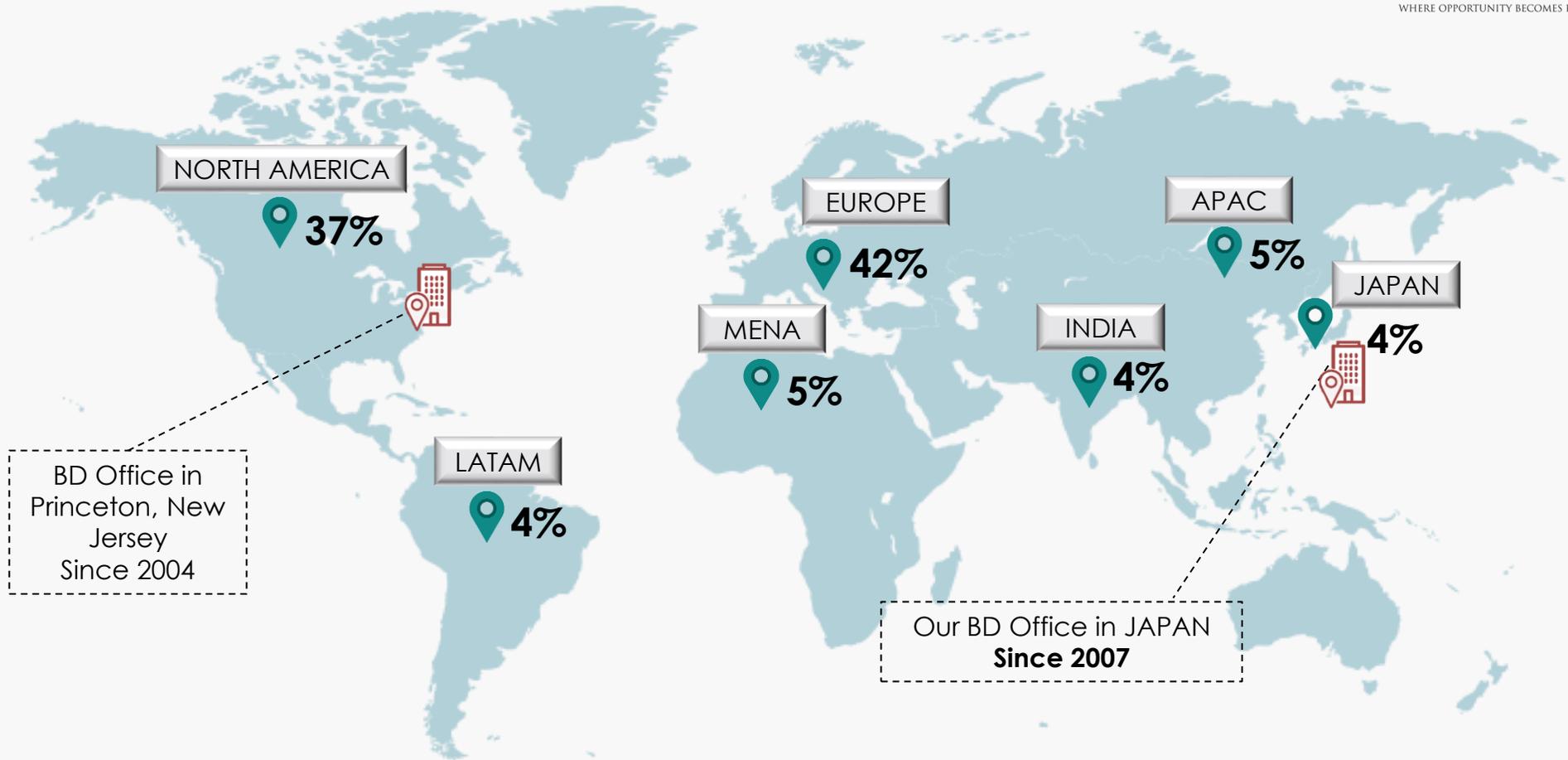
- 15 Development Labs with space for expansion
- 60 Fume hoods
- Analytical Labs
- Dedicated kilo Lab for Scale up
- Dedicated Labs for Peptides
- Separate facility for D2 analogues

Significant R&D Achievements

- Several NCE APIs added in NDA or commercial stage drugs
- Support for multiple APIs each year in Phase 2 and Phase 3 clinical candidates
- Generic API business -
 - ✓ 900+ DMFs filed
 - ✓ 300+ API processes developed
 - ✓ 204+ patents filed. Received USPTO patent for improved process synthesis of Paliperidone Palmitate



Global Presence



% Refers to FY22 Sales by End market

Regulatory Filings Across Geographies



62

DMFs with
USFDA



Health
Canada

30

Filings with
Health Canada



10

Japanese DMF filed

NMPA

国家药品监督管理局
National Medical Products Administration

20

China DMF filed



19

filings with
KFDA Korea



Australian Government

Department of Health

Therapeutic Goods Administration

22

filings with TGA



231

ROW filings
including Turkey,
Mexico, Brazil etc

~495

EUDMF filings
across
Germany,
France, Poland,
Italy etc



European Directorate
for the Quality
of Medicines
& HealthCare | Direction européenne
de la qualité
du médicament
& soins de santé

COUNCIL OF EUROPE



CONSEIL DE L'EUROPE

27

CEPs Received
for different
products

916+

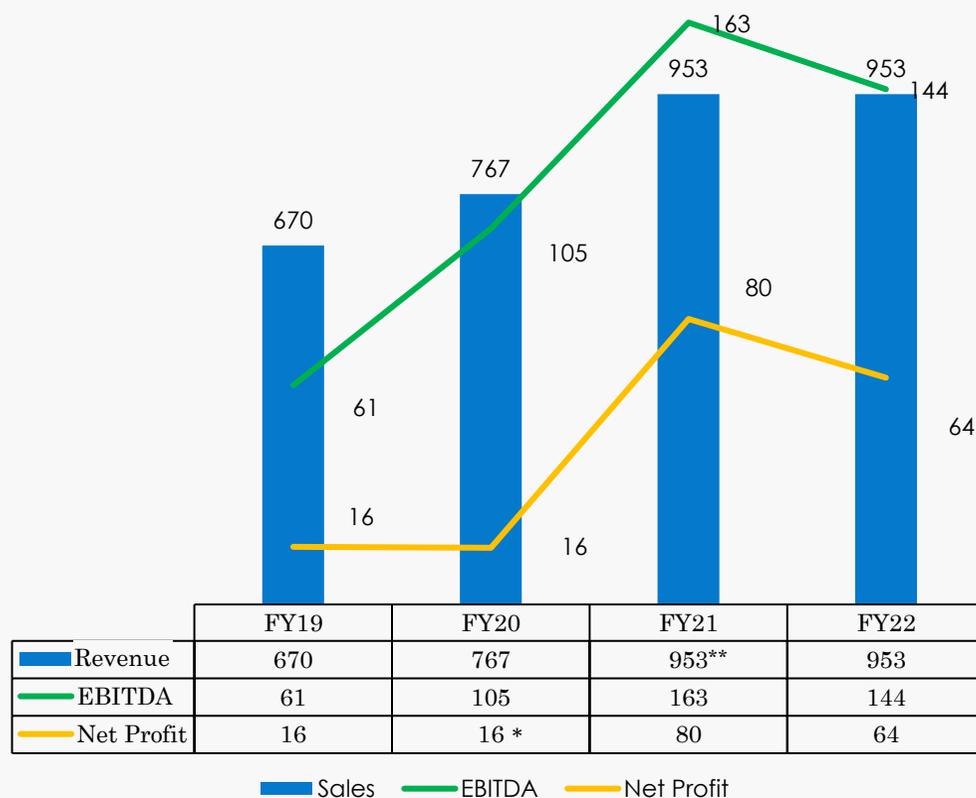
Filings till date

** The numbers on this slide reflect the number of filings, the number of active filings could vary as geographic filings are merged and changes in product portfolio .



FINANCIALS

Rs. In Cr



FINANCIAL PERFORMANCE HIGHLIGHTS

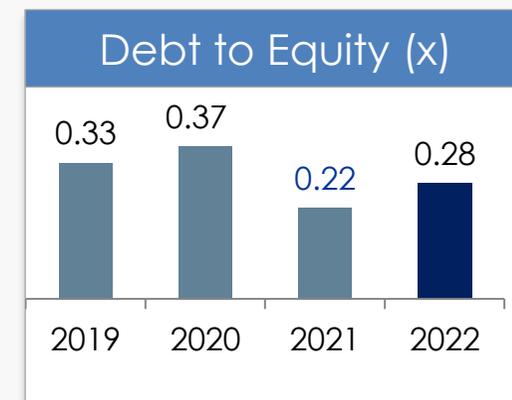
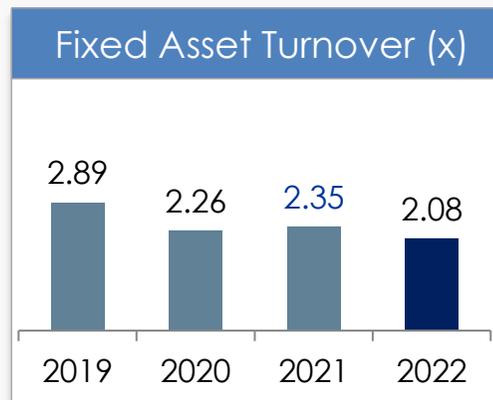
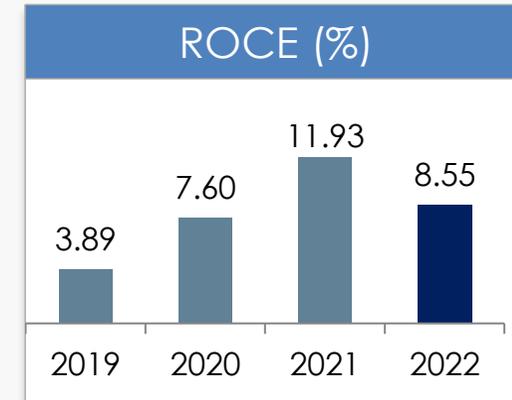
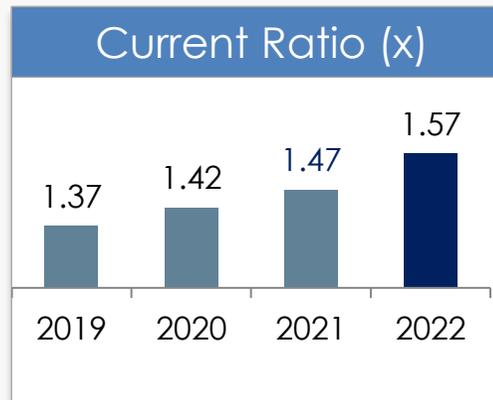
- Revenue CAGR of 12.5% for FY 19-22 led by growth in all 3 businesses
- EBITDA growth of 33.0% CAGR in FY 19-22 due to balanced contribution from both GDS and CMS business
- Shift to CMS and Specialty in overall revenue mix along with resource efficiency steps accelerated profitability

** FY21 included other income of Rs. 13.09 crores towards profit on sale of investment property

* This was after a one-time tax charge of Rs. 23.2 Cr in Q4FY20 that the Company chose to exercise under Section 115BAA of the IT act

Stable Balance Sheet..

Particulars (Rs. Cr)	Mar-19	Mar-20	Mar-21	Mar-22
Shareholders ' funds	696	706	782	836
Net Debt	194	214	152	212
Investments	8	8	7	4
Tangible Assets	365	391	438	497
Intangible Assets (Excluding Goodwill)	2	2	3	2
Working Capital	233	289	309	382

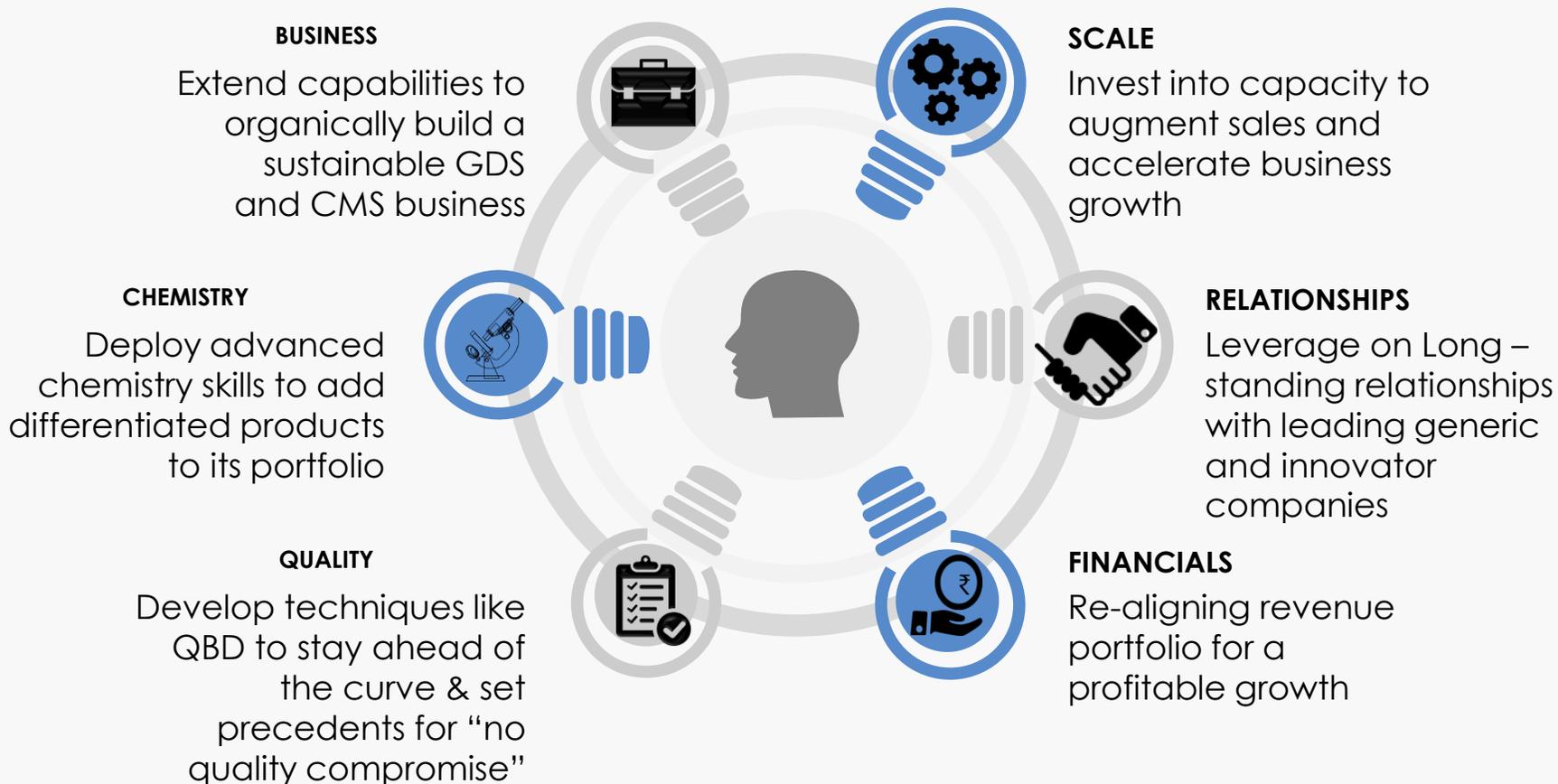




OUTLOOK

..Laying Foundation for our Growth Strategy

CREATE AN ORGANIZATION THAT RESULTS IN VALUE FOR ALL STAKEHOLDERS



Contact Us



For over 38 Years, Neuland Laboratories Ltd. (BSE:524558, NSE: NEULANDLAB) has been at the forefront of manufacturing APIs through its cGMP manufacturing facilities, working with customers in close to 80 countries.

Neuland Labs has developed more than 300 processes and 75 APIs and has filed over 900+ Regulatory filings in the US (62 active US DMFs), the European Union (EU) and other geographies. Its manufacturing facilities are inspected and approved by the U.S. FDA and other leading regulatory agencies. Its record of quality manufacturing and reliability is highlighted by cGMP certifications that include the U.S. FDA, TGA (Australia), EDQM (EU), German Health Authority, ANVISA (Brazil), EMA (EU), Cofepris (Mexico), KFDA (Korea), PMDA (Japan), CFDA (China), FSI "SID & GP" Russia, Health Canada, ISO 9001, ISO14001, OHSAS18001 and ISO 27001.

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Thank You