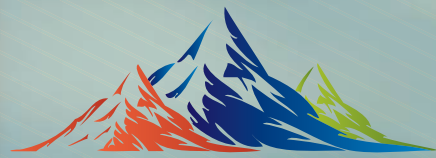


ANNUAL REPORT 2020-21



NEULAND

WHERE OPPORTUNITY BECOMES REALITY

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₹ 953.0 Crores

Total Revenue

₹ 162.5 Crores

EBITDA

₹ 80.3 Crores

Profit After Tax



To view this report online
www.neulandlabs.com

Cautionary Statement

Certain statements in this Report relating to our business operations and prospects may be forward-looking statements. These statements can be identified by usage of words such as 'believes', 'estimates', 'anticipates', 'expects', 'intends', 'may', 'will', 'plans', 'outlook' and other words of similar meaning in connection with a discussion of future operating or financial performance.

These forward-looking statements are dependent on assumptions, data or methods that may be incorrect or imprecise and hence may be incapable of being realised. Such statements are not guaranteed of future operating, financial and other results, but constitute our current expectations based on reasonable assumptions. The Company's actual results could materially differ from those projected in any forward-looking statements due to various future events, risks and uncertainties some of which are beyond our control. We do not assume any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Corporate Information

Board of Directors

Dr. Davuluri Rama Mohan Rao
Executive Chairman

Mr. Davuluri Sucheth Rao
Vice Chairman & Chief Executive Officer

Mr. Davuluri Saharsh Rao
Vice Chairman & Managing Director

Mr. Humayun Dhanrajgir
Non-Executive Independent Director

Mr. Parampally Vasudeva Maiya
Non-Executive Independent Director

Dr. William Gordon Mitchell
Non-Executive Independent Director

Dr. Christopher M. Cimarusti
Non-Executive Director

Mrs. Bharati Rao
Non-Executive Independent Director

Dr. Nirmala Murthy
Non-Executive Independent Director

Mr. Homi Rustam Khusrokhani
Non-Executive Independent Director

Mr. Deepak Gupta¹
Chief Financial Officer

Ms. Sarada Bhamidipati
Company Secretary & Compliance Officer

Audit Committee

Mr. Homi Rustam Khusrokhani
Chairman

Mr. Humayun Dhanrajgir
Member

Mr. Davuluri Sucheth Rao
Member

Mrs. Bharati Rao
Member

Dr. Nirmala Murthy
Member

CSR Committee

Mr. Humayun Dhanrajgir
Chairman

Dr. Davuluri Rama Mohan Rao
Member

Mr. Davuluri Sucheth Rao
Member

Mr. Davuluri Saharsh Rao
Member

Dr. Nirmala Murthy
Member

Nomination and Remuneration Committee

Mr. Parampally Vasudeva Maiya
Chairman

Mr. Humayun Dhanrajgir
Member

Mrs. Bharati Rao
Member

Statutory Auditors

M/s. MSKA & Associates
1101 /B, Manjeera Trinity Corporate
JNTU, Hitech City Road, Kukatpally
Hyderabad- 500072

Bankers

State Bank of India
Overseas Branch, Jubilee Hills, Hyderabad

Bank of India
Large Corporate Branch, Hyderabad

HDFC Bank Limited
Banjara Hills, Hyderabad

Kotak Mahindra Bank Limited
Somajiguda Branch, Hyderabad

IndusInd Bank Limited
Secunderabad Branch, Hyderabad

RBL Bank Limited
Madhapur Branch, Hyderabad

Stakeholders Relationship Committee

Mr. Parampally Vasudeva Maiya
Chairman

Dr. Davuluri Rama Mohan Rao^{*}
Member

Mr. Davuluri Sucheth Rao
Member

Mr. Davuluri Saharsh Rao[#]
Member

Registered Office

NEULAND LABORATORIES LIMITED
CIN: L85195TG1984PLC004393

New Address with effect from June 11, 2021:

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

Old Address:

Sanali Info Park, 'A' Block, Ground Floor
8-2-120/113, Road No. 2, Banjara Hills
Hyderabad – 500 034

Listing

BSE Limited (BSE)
National Stock Exchange of India Limited
(NSE)

Internal Auditors

M/s. Ernst & Young LLP
THE SKYVIEW 10
18th Floor, "Zone A"
Survey No. 83/1, Raidurgam
Hyderabad- 500032, India

Secretarial Auditors

M/s P. S. Rao & Associates
Flat No. 10, 4th Floor, D. No. 6-3-347/22/2
Ishwarya Nilayam, Opp. Sai Baba Temple
Dwarakapuri Colony
Hyderabad-500082

Registrar and Share Transfer Agents

KFin Technologies Private Limited
Selenium Tower B, Plot No. 31 & 32
Financial District, Nanakramguda
Serlingampally Mandal
Hyderabad-500032

¹From September 24, 2020

^{*}Up to May 11, 2021

[#]appointed with effect from May 11, 2021

About Us

Established in 1984, Neuland Laboratories Limited is a leading manufacturer of active pharmaceutical ingredients (APIs) and an end-to-end solution provider for the pharmaceutical industry's chemistry needs. Supported by our world-class manufacturing facilities and complex chemistry capabilities, we have become a trusted generic and new chemical entity (NCE) API manufacturing partner and supplier to some of the biggest names in global pharmaceutical industry.

Our solutions span the full range of the pharmaceutical industry's chemistry requirements, from the synthesis of library compounds to supplying NCEs and advanced intermediates at various stages in the clinical life-cycle, as well as commercial launch.

The Company is headquartered in Hyderabad, India while our manufacturing and research facilities are situated near Hyderabad. Business development offices have been set up in the US and Japan to strengthen our global collaborations.



Our Manufacturing Prowess

We have three world-class API manufacturing facilities capable of handling complex and hazardous reactions. The manufacturing facilities comply with all regulatory guidelines and requirements of current Good Manufacturing Practices (cGMP) and have been successfully inspected/approved by international health and regulatory agencies. Our facilities (Unit I and II) have successfully cleared 15 US FDA audits, a testimony to the reliability of our systems and processes. For the recently commissioned Unit-III, we are working with the US FDA to expedite the inspection and the approval for commercial manufacturing of APIs.

Our Research Capabilities

We have a dedicated state-of-the-art R&D facility which has been approved by the Department of Scientific and Industrial Research (DSIR) and inspected by the US FDA in February 2016 without any observations. The facility houses development laboratories, analytical laboratories, a dedicated kilo laboratory for scale-up and a dedicated laboratory for peptides. Our R&D facility has proven its capabilities in carrying out a wide range of reactions, including bringing complex molecules with efficient processes to market; developing non-infringing processes; developing cost-effective routes; reducing impurities levels by better process understanding; and reducing effluent generation.

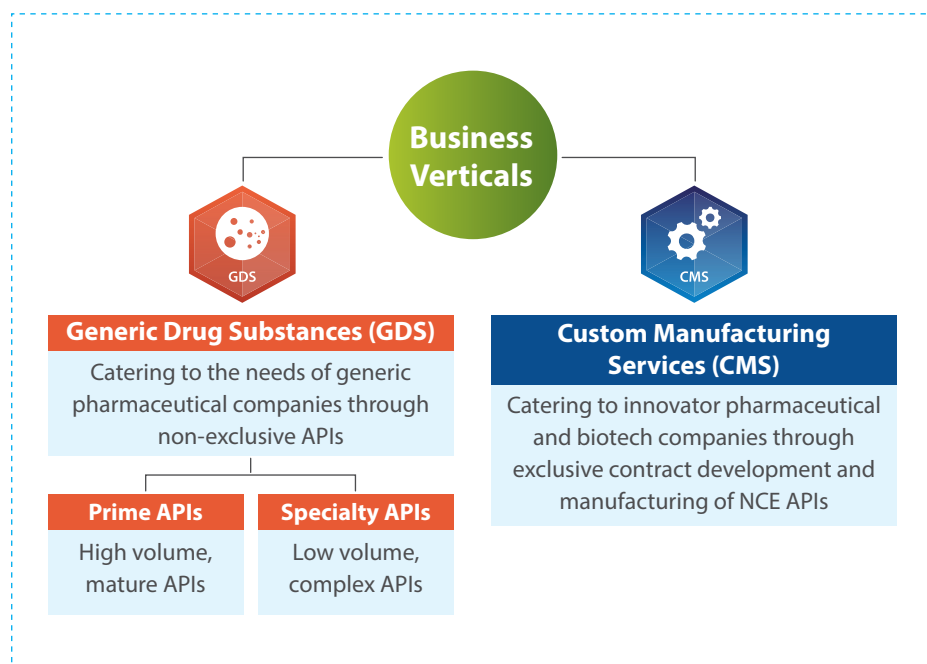


Our Certifications

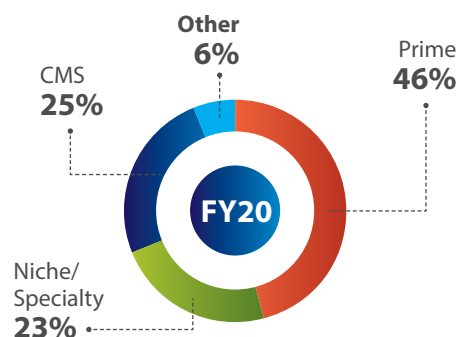
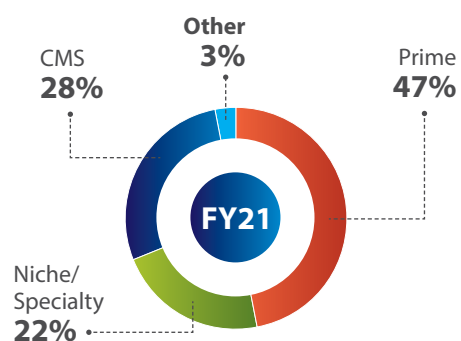
 USFDA	 EDQM	 European Medical Agency (EMA)	 PMDA (Japan)	 TGA (Australia)
 B farm (German Health)	 ANVISA (Brazil)	 AFSSAPS (France)	 COFEPRIS (Mexico)	 KFDA (Korea)
 CFDA (China)	 WHO-Geneva	 Russia (The Ministry of Health of the Russian Federation)	 Health Canada	 ISO 9001, ISO 14001, ISO 45001 and ISO 27001

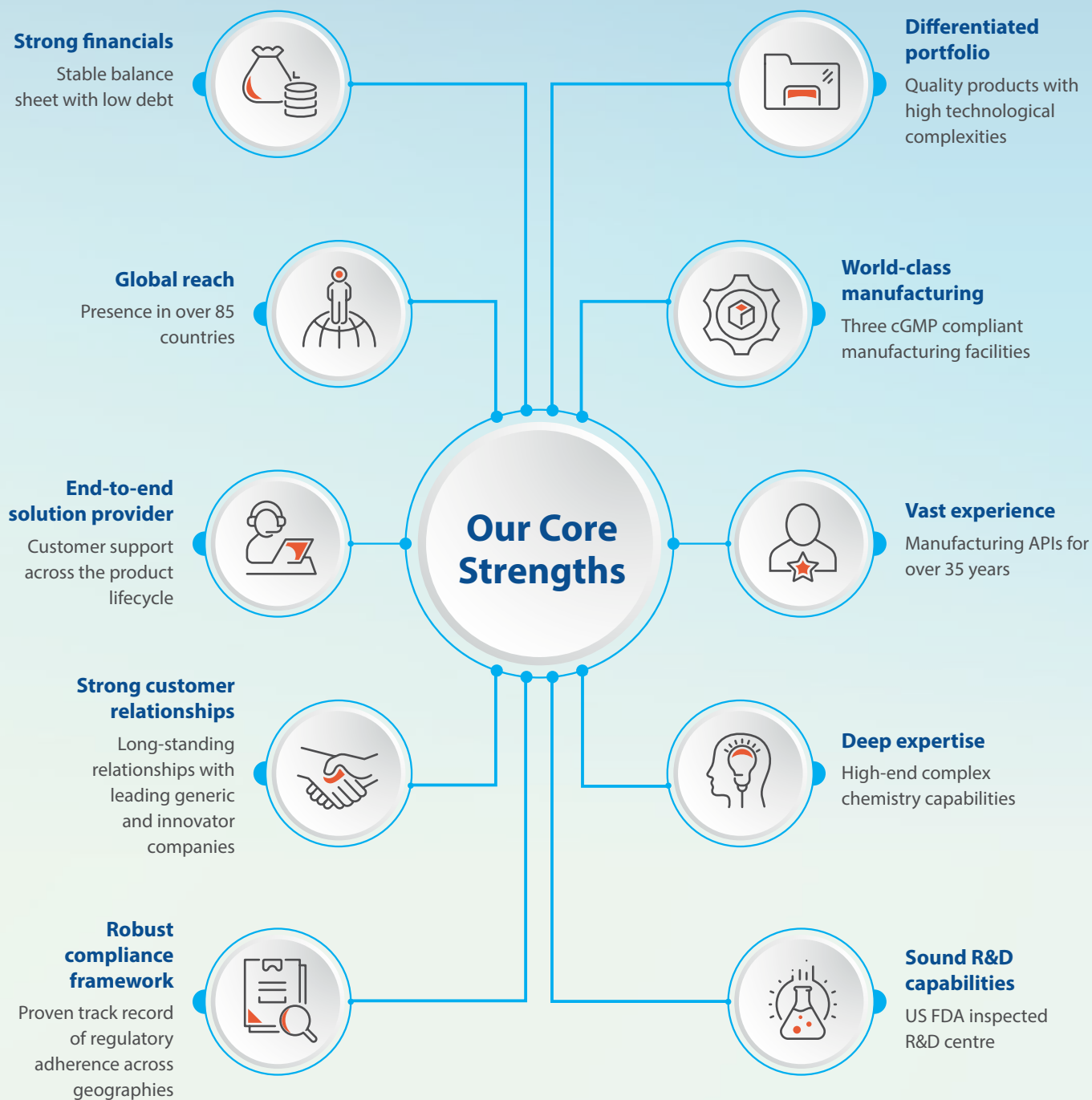
Our Business Verticals

We have two main business verticals: Generic Drug Substances (GDS) and Custom Manufacturing Solutions (CMS). While we primarily have these two businesses, the expertise within them extends to both small molecules as well as peptides.



Revenue Contribution





Neuland in Numbers

>37

years of experience

80+

countries

75

APIs scaled up across 10
therapeutic categories

>898

Drug Master Files (DMFs)
worldwide

57

active US DMFs

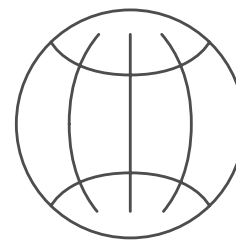
860 KL

API manufacturing capacity

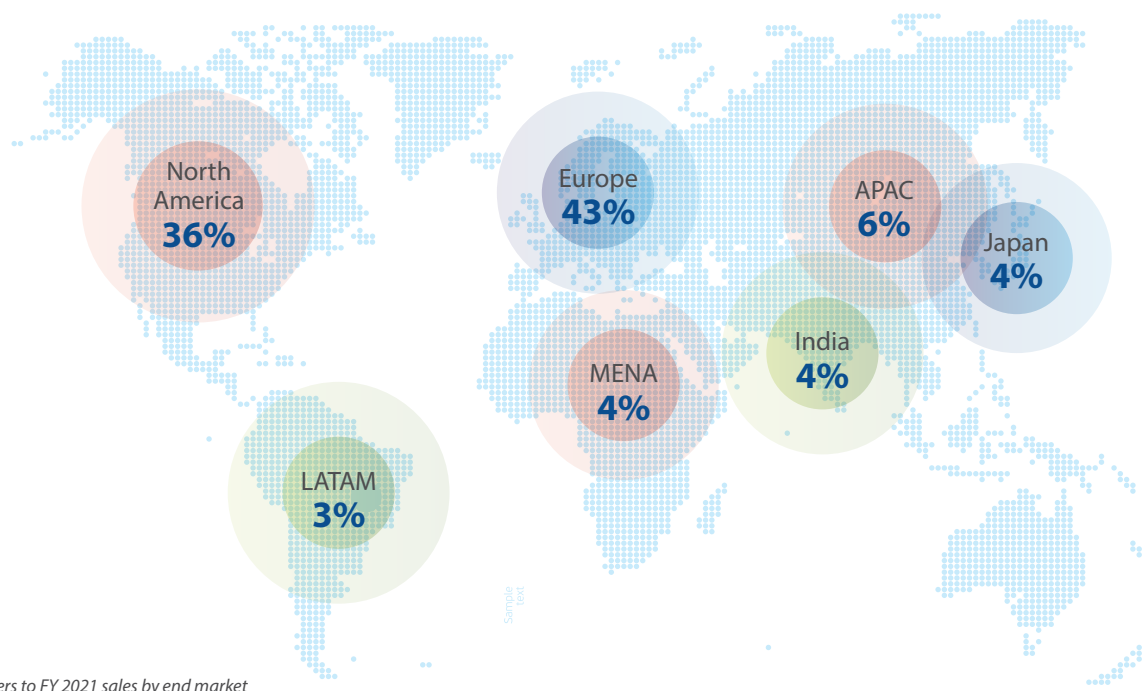
>75%

of revenue from exports

>1,427

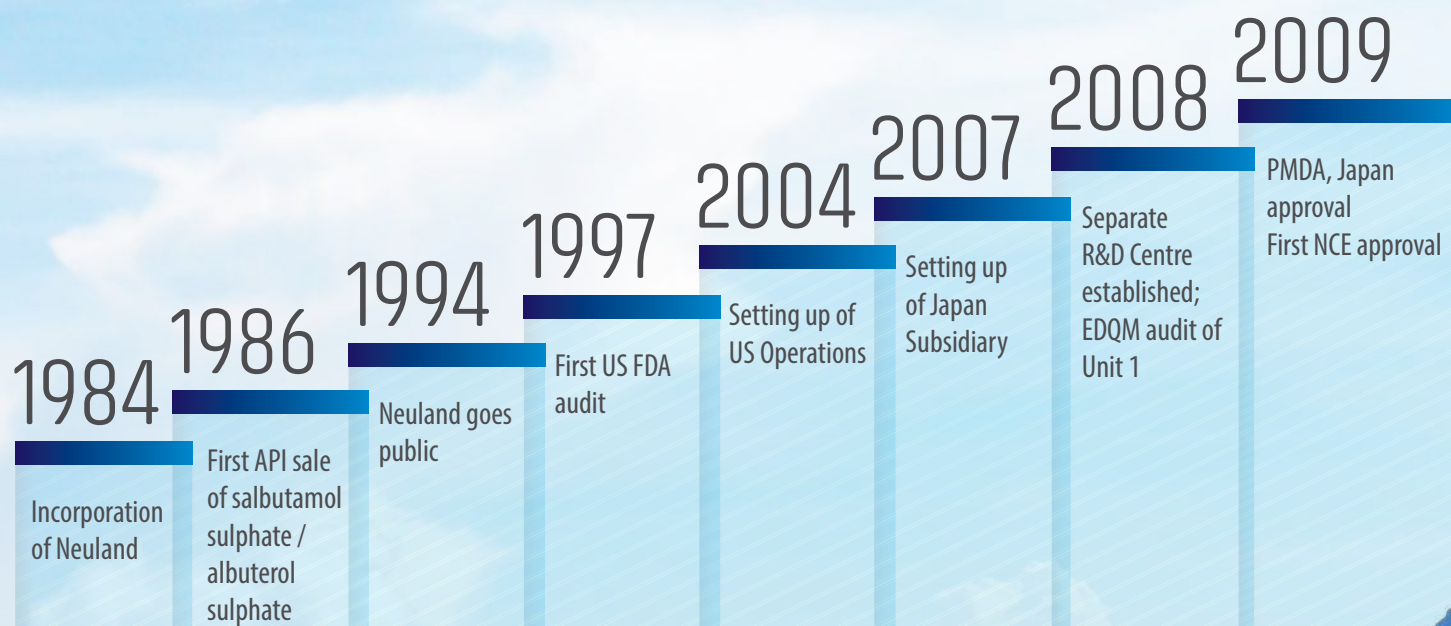
R&D employees
approximately 300

Our Global Reach



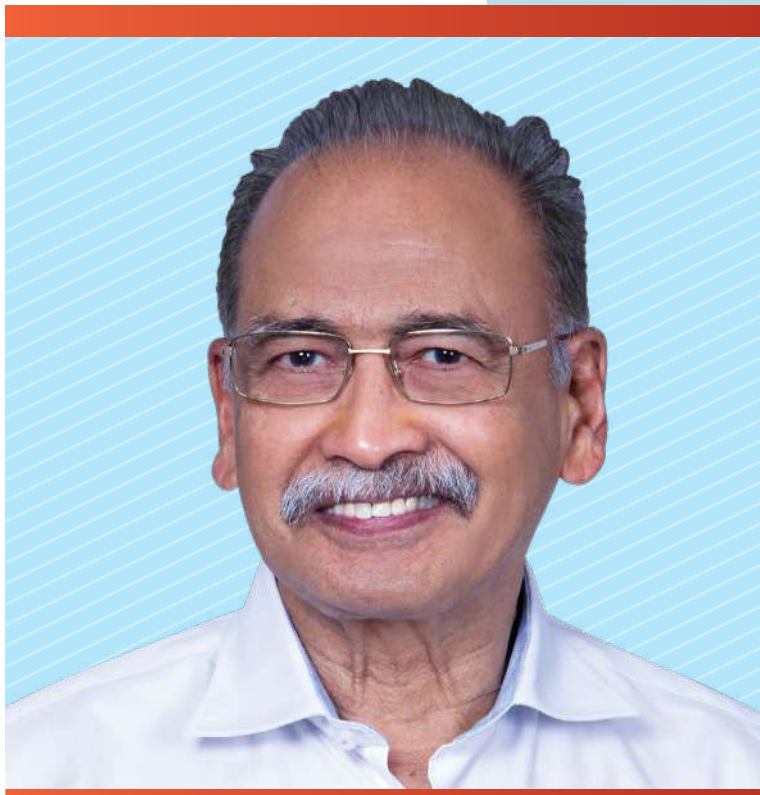
Note: % refers to FY 2021 sales by end market

Our Journey





Executive Chairman's Message



Much of the credit for our success also goes to our strong, well-balanced teams across functions, who worked closely to serve customer needs in an extraordinary year.

Dear Readers,

The COVID-19 pandemic has had the most significant economic and social impact on the world in recent memory. At Neuland, the strength and agility we have built into our business enabled us to deliver a steady performance despite the external challenges. I am incredibly proud of our people for their commitment and contribution in these difficult times. Our priorities remain the safety of our people, maintaining business continuity to ensure timely delivery of our products to support customers and, through excellent people and processes, meet the high standards they have come to expect from Neuland.