



**165 LUDLOW AVENUE**

**07647**

**NORTHVALE, NEW JERSEY**

(Address of principal executive offices) (Zip Code)

**(201) 750-2646**

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer  Accelerated filer   
Non-accelerated filer  Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 733,715,855 shares of common stock were issued and outstanding as of August 3, 2016.

	<b>PAGE</b>
<b><u>PART I FINANCIAL INFORMATION</u></b>	
ITEM 1. <u>Financial Statements</u>	
<u>Condensed Consolidated Balance Sheets as of June 30, 2016 (unaudited) and March 31, 2016 (audited)</u>	F-1
<u>Condensed Consolidated Statements of Operations for the Three Months Ended June 30, 2016 (unaudited) and June 30, 2015 (restated and unaudited)</u>	F-3
<u>Condensed Consolidated Statement of Changes in Stockholders' Deficit for the Three Months Ended June 30, 2016 (unaudited)</u>	F-4
<u>Condensed Consolidated Statements of Cash Flows for the Three Months Ended June 30, 2016 (unaudited) and June 30, 2015 (restated and unaudited)</u>	F-5
<u>Notes to the Unaudited Condensed Consolidated Financial Statements</u>	F-6
ITEM 2. <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	1
ITEM 3. <u>Quantitative and Qualitative Disclosure About Mark Risk</u>	15
ITEM 4. <u>Controls and Procedures</u>	15
<b>PART II</b> <b><u>OTHER INFORMATION</u></b>	16
ITEM 1. <u>Legal Proceedings</u>	16
ITEM 1A. <u>Risk Factors</u>	16
ITEM 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	17
ITEM 3. <u>Defaults upon Senior Securities</u>	18
ITEM 4. <u>Mine Safety Disclosures</u>	18
ITEM 5. <u>Other Information</u>	18
ITEM 6. <u>Exhibits</u>	18
<b><u>SIGNATURES</u></b>	25

**PART 1 – FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****ELITE PHARMACEUTICALS, INC. AND SUBSIDIARY****CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>June 30, 2016</b>	<b>March 31, 2016</b>
	<b>(Unaudited)</b>	<b>(Audited and Revised)</b>
<b>ASSETS</b>		
Current assets:		
Cash	\$ 12,814,951	\$ 11,512,179
Accounts receivable	1,220,245	1,530,296
Inventory	3,735,294	3,293,729
Prepaid expenses and other current assets	216,407	377,752
Total current assets	17,986,897	16,713,956
Property and equipment, net of accumulated depreciation of \$6,898,916 and \$6,726,401, respectively	8,222,527	8,110,721
Intangible assets, net of accumulated amortization of \$-0-	6,411,974	6,411,799
Other assets		
Restricted cash – debt service for NJEDA bonds	388,959	388,959
Security deposits	48,714	48,714
Total other assets	437,673	437,673
Total assets	\$ 33,059,071	\$ 31,674,149

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

**ELITE PHARMACEUTICALS, INC. AND SUBSIDIARY****CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>June 30, 2016</b>	<b>March 31, 2016</b>
	<b>(Unaudited)</b>	<b>(Audited and Revised)</b>
<b>LIABILITIES, MEZZANINE EQUITY AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable	\$1,457,761	\$ 1,804,429
Accrued expenses	1,397,470	555,352
Deferred revenue, current portion	1,013,333	1,013,333
Bonds payable, current portion (net of bond issuance costs)	205,822	205,822
Line of credit, related party	-	718,309
Loans payable, current portion	304,756	342,944
Total current liabilities	4,379,142	4,640,189
Long-term liabilities:		
Deferred revenue, net of current portion	3,025,557	3,278,887
Bonds payable, net of current portion (net of bond issuance costs)	1,658,322	1,654,777
Loans payable, net current portion	450,001	520,829
Derivative financial instruments - warrants	7,968,646	10,368,567
Other long term liabilities	41,331	47,422
Total long term liabilities	13,143,857	15,870,482
Total liabilities	17,522,999	20,510,671
Mezzanine Equity		
Series I convertible preferred stock; par value \$0.01; 500 shares authorized; 100 shares issued and outstanding as of June 30, 2016 and March 31, 2016	46,428,572	44,285,715
Stockholders' deficit:		
Common stock; par value \$0.001; 995,000,000 shares authorized; 730,971,084 shares issued and 730,871,084 outstanding as of June 30, 2016; 711,544,352 shares issued and 711,444,352 outstanding as of March 31, 2016	730,974	711,546
Additional paid-in capital	110,254,090	109,137,805
Treasury stock; 100,000 shares as of June 30, 2016 and March 31, 2016; at cost	(306,841 )	(306,841 )
Accumulated deficit	(141,570,723 )	(142,664,747 )
Total stockholders' deficit	(30,892,500 )	(33,122,237 )
Total liabilities, mezzanine equity and stockholders' deficit	\$33,059,071	\$ 31,674,149

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

F-2

**ELITE PHARMACEUTICALS, INC. AND SUBSIDIARY****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(UNAUDITED)**

	For the Three Months Ended June 30,	
	2016	2015 (As Restated)
Manufacturing fees	\$2,551,858	\$1,675,773
Licensing fees	719,288	487,332
Total revenue	3,271,146	2,163,105
Cost of revenue	2,147,552	1,196,968
Gross profit	1,123,594	966,137
Operating expenses:		
Research and development	1,550,370	2,366,262
General and administrative	699,011	754,444
Non-cash compensation through issuance of stock options	89,384	90,479
Depreciation and amortization	22,392	157,915
Total operating expenses	2,361,157	3,369,100
Loss from operations	(1,237,563 )	(2,402,963 )
Other income (expense):		
Interest expense and amortization of debt issuance costs	(68,943 )	(76,228 )
Change in fair value of derivative instruments	2,399,921	7,214,261
Interest Income	3,109	—
Other income (expense), net	2,334,087	7,138,033
Income from operations before income taxes	1,096,524	4,735,070
Income tax Provision	2,500	2,750
Net income	1,094,024	4,732,320
Change in carrying value of convertible preferred share mezzanine equity	(2,142,857 )	6,428,571
Net (loss) income attributable to common stockholders	\$(1,048,833 )	\$11,160,891
Basic (loss) income per share attributable to common stockholders	\$(0.00 )	\$0.02

Diluted (loss) income per share attributable to common stockholders	\$ (0.00	)	\$ (0.00	)
Basic weighted average common shares outstanding	722,783,442		646,851,543	
Diluted weighted average common shares outstanding	722,783,442		812,605,460	

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

F-3



**ELITE PHARMACEUTICALS, INC. AND SUBSIDIARY****CONDENSED CONSOLIDATED STATEMENT OF STOCKHOLDERS' DEFICIT****(UNAUDITED)**

	COMMON STOCK			TREASURY STOCK		Accumulated Deficit	Stockholders' Deficit
	Shares	Amount	Additional Paid-In Capital	Shares	Amount		
Balance at March 31, 2016	711,544,352	\$711,546	\$ 109,137,805	100,000	\$(306,841 )	\$(142,664,747)	\$(33,122,237)
Net Income						1,094,024	1,094,024
Change in value of convertible preferred mezzanine equity			(2,142,857 )				(2,142,857 )
Issuance of common shares pursuant to the exercise of cash warrants	11,270,901	11,271	693,160				704,431
Issuance of common shares pursuant to the exercise of cash options	40,000	40	3,960				4,000
Common shares issued in payment of employee salaries	32,244	33	10,384				