



NATCO Pharma Limited

Regd. Office: Natco House, Road No. 2, Banjara Hills, Hyderabad, Telangana - 500 034
Phone: +91-40-2354 7532, Website : www.natcopharma.co.in, CIN: L24230TG1981PLC003201

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2017

(₹ in millions except per share data)

	Quarter ended			Year ended	
	31 Mar 2017 (Audited) (Refer note 4)	31 Dec 2016 (Unaudited)	31 Mar 2016 (Audited) (Refer note 4)	31 Mar 2017 (Audited)	31 Mar 2016 (Audited)
Revenue					
Revenue from operations (inclusive of excise duty)	5,778	6,790	3,944	20,650	10,801
Other income	(6)	61	4	139	96
Total revenues	5,772	6,851	3,948	20,789	10,897
Expenses					
Cost of materials consumed	1,010	1,477	1,073	5,208	3,037
Purchases of stock-in-trade	56	273	29	971	152
Changes in inventories of finished goods, stock- in-trade and work-in-progress	106	305	(104)	(188)	(483)
Employee benefits expenses	796	607	533	2,432	1,798
Finance costs	64	46	36	185	229
Depreciation and amortisation expense	135	137	123	544	508
Other expenses	1,399	1,527	1,481	5,393	3,641
Total expenses	3,566	4,372	3,171	14,545	8,882
Profit before tax	2,206	2,479	777	6,244	2,015
Tax expense	442	531	141	1,395	479
Profit from continuing operations	1,764	1,948	636	4,849	1,536
Profit from discontinued operations (pharmacy business)	-	-	30	-	71
Tax expense of discontinued operations	-	-	36	-	49
Profit/(loss) for from discontinued operations, net of tax	-	-	(6)	-	22
Profit after tax	1,764	1,948	630	4,849	1,558
Non-controlling interest (NCI)	3	2	(2)	11	13
Profit after tax and after NCI	1,767	1,950	628	4,860	1,571
Other comprehensive income					
Re-measurement gains/(losses) on defined benefit plans	(27)	5	(44)	(50)	(38)
Net gain/(loss) on FVTOCI equity securities	19	(8)	(2)	28	7
Exchange differences on translation of foreign operations	2	(5)	(4)	(12)	(18)
Total comprehensive income for the year	1,761	1,942	578	4,826	1,522
Paid-up equity share capital of ₹2 each	349	349	348	349	348
Other equity				16,144	12,609
Earnings per share (non-annualised)					
Basic	10.10	11.18	3.86	27.78	9.14
Diluted	10.09	11.16	3.85	27.75	9.11



NATCO Pharma Limited

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

	31 Mar 2017 (Audited)	31 Mar 2016 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	8,272	7,046
(b) Capital work-in-progress	3,363	2,118
(c) Other intangible assets	58	55
(d) Financial assets		
Investments	1	1
Other financial assets	131	106
(e) Other non-current assets	478	521
	12,303	9,847
Current assets		
(a) Inventories	3,489	3,573
(b) Financial Assets		
Investments	321	221
Trade receivables	4,752	2,616
Cash and cash equivalents	235	242
Other bank balances	123	210
Loans	35	28
Other financial assets	752	770
(c) Current tax assets (net)	-	34
(d) Other current assets	1,166	676
	10,873	8,370
Total assets	23,176	18,217
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	349	348
(b) Other equity	16,144	12,609
Equity attributable to owners	16,493	12,957
Non-controlling interest	41	49
Total of Equity	16,534	13,006
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
Other financial liabilities	8	8
(b) Provision for employee benefits	219	125
(c) Deferred tax liabilities (net)	150	147
	377	280
Current liabilities		
(a) Financial liabilities		
Borrowings	2,216	984
Trade payables	2,627	2,756
Other financial liabilities	1,014	815
(b) Current tax liabilities (net)	133	34
(c) Other current liabilities	257	327
(d) Provision for employee benefits	18	15
	6,265	4,931
Total equity and liabilities	23,176	18,217



NATCO Pharma Limited

Notes to the consolidated results:

1. Consolidated results for the quarter and year ended 31 March 2017 are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. Consequently, results for the quarter and previous year ended 31 March 2016 have been restated to comply with Ind AS to make them comparable.

2. Reconciliation between consolidated financial results under Previous GAAP and Ind AS for the quarter and year ended 31 March 2016:

Particulars	(₹ in millions)	
	Quarter ended 31 March 2016 (Audited)	Year ended 31 March 2016 (Audited)
Net profit under Previous GAAP	602	1,552
Actuarial gain through other comprehensive income	38	31
Gain on sale of investment designated as fair value through profit or loss	(12)	(12)
Total net profit for the period under Ind AS	628	1,571
Other comprehensive income	(50)	(49)
Total comprehensive income	578	1,522

3. Reconciliation of equity as on 31 March 2016 as previously reported under Previous GAAP to Ind AS

Particulars	(₹ in millions)
	31 March 2016 (Audited)
Equity reported under Previous GAAP as on 31 March 2016	12,983
Adjustments:	
Impact on account of measuring investments at fair value	11
Derecognition of intangible assets	(35)
Deferred tax impact of Ind AS adjustment	(2)
Equity reported under Ind AS as on 31 March 2016	12,957

4. The figures of the last quarter are balancing figures between audited figure in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial years, which were subjected to limited review by the statutory auditors.
5. The consolidated financial results for the quarter and year ended 31 March 2017 have been reviewed by the Audit Committee of the board and approved by the Board of Directors of the Company at their meeting held on 30 May 2017.
6. The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "Pharmaceuticals".
7. During the year, the Company has allotted 133,555 equity shares of ₹2 each to employees of the Company under an approved employee stock option plan.

By Order of the Board

V.C. Nannapaneni
Chairman and Managing Director

Hyderabad
30 May 2017



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STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31 MARCH 2017

(₹ in millions except per share data)

	Quarter ended			Year ended	
	31 Mar 2017 (Audited) (Refer note 5)	31 Dec 2016 (Unaudited)	31 Mar 2016 (Audited) (Refer note 5)	31 Mar 2017 (Audited)	31 Mar 2016 (Audited)
Revenue					
Revenue from operations (inclusive of excise duty)	5,553	6,666	3,924	20,028	10,592
Other income	(8)	61	6	132	129
Total revenues	5,545	6,727	3,930	20,160	10,721
Expenses					
Cost of materials consumed	1,010	1,477	1,076	5,208	3,037
Purchases of stock-in-trade	7	212	1	687	4
Changes in inventories of finished goods, stock-in-trade and work-in-progress	106	334	(100)	(167)	(478)
Employee benefits expenses	757	581	528	2,321	1,719
Finance costs	59	44	33	175	219
Depreciation and amortisation expense	132	135	120	536	502
Other expenses	1,260	1,443	1,470	5,059	3,503
Total expenses	3,331	4,226	3,128	13,819	8,506
Profit before tax	2,214	2,501	802	6,341	2,215
Tax expense	441	531	112	1,393	450
Profit after tax	1,773	1,970	690	4,948	1,765
Other comprehensive income					
Re-measurement gains/(losses) on defined benefit plans	(27)	5	(44)	(50)	(38)
Net gain/(loss) on FVTOCI equity securities	19	(8)	(1)	28	7
Total comprehensive income	1,765	1,967	645	4,926	1,734
Paid-up equity share capital of ₹2 each	349	349	348	349	348
Other equity				16,648	13,015
Earnings per share (non-annualised)					
Basic	10.13	11.29	3.86	28.27	10.17
Diluted	10.11	11.28	3.85	28.24	10.14



NATCO Pharma Limited

STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

	31 March 2017 (Audited)	31 March 2016 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	8,234	7,003
(b) Capital work-in-progress	3,362	2,119
(c) Other intangible assets	56	53
(d) Financial assets		
Investments	859	717
Other financial assets	131	105
(e) Other non-current assets	478	521
	13,120	10,518
Current assets		
(a) Inventories	3,369	3,519
(b) Financial Assets		
Investments	89	221
Trade receivables	4,689	2,558
Cash and cash equivalents	128	192
Other bank balances	123	210
Loans	66	28
Other financial assets	734	480
(c) Current tax assets (net)	-	34
(d) Other current assets	1,153	667
	10,351	7,909
Total assets	23,471	18,427
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	349	348
(b) Other equity	16,648	13,015
Total of equity	16,997	13,363
Liabilities		
Non-current liabilities		
(a) Financial liabilities		
Other financial liabilities	8	8
(b) Provision for employee benefits	219	125
(c) Deferred tax liabilities (net)	150	146
	377	279
Current liabilities		
(a) Financial liabilities		
Borrowings	2,206	960
Trade payables	2,514	2,701
Other financial liabilities	974	782
(b) Other current liabilities	254	327
(c) Provision for employee benefits	18	15
(d) Current tax liabilities (net)	131	-
	6,097	4,785
Total equity and liabilities	23,471	18,427



NATCO Pharma Limited

Notes to the standalone results:

1. Results for the quarter and year ended 31 March 2017 are in compliance with Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs. Consequently, results for the quarter and previous year ended 31 March 2016 have been restated to comply with Ind AS to make them comparable.

2. **Reconciliation between standalone financial results under Previous GAAP and Ind AS for the quarter and year ended 31 March 2016:**

(₹ in millions)

Particulars	Quarter ended 31 March 2016 (Audited)	Year ended 31 March 2016 (Audited)
Net profit under Previous GAAP	673	1,745
Actuarial gain through other comprehensive income	28	31
Gain on sale of investment designated as fair value through profit or loss	(11)	(11)
Total net profit for the period under Ind AS	690	1,765
Other comprehensive income	(45)	(31)
Total comprehensive income	645	1,734

3. **Reconciliation of equity as on 31 March 2016 as previously reported under Previous GAAP to Ind AS**

(₹ in millions)

Particulars	31 March 2016 (Audited)
Equity reported under Previous GAAP as on 31 March 2016	1,33,541
Adjustments:	
Impact on account of measuring investments at fair value	112
Deferred tax impact of Ind AS adjustment	(23)
Equity reported under Ind AS as on 31 March 2016	1,33,630

4. The standalone financial results for the quarter and year ended 31 March 2017 have been reviewed by the Audit Committee of the board and approved by the Board of Directors of the Company at their meeting held on 30 May 2017.

5. The figures of the last quarter are balancing figures between audited figure in respect of the full financial year and the published year to date figures upto the third quarter of the respective financial years, which were subjected to limited review by the statutory auditors.

6. The management has assessed the identification of reportable segments in accordance with the requirements of Ind AS 108 'Operating Segment' and believes that the Company has only one reportable segment namely "Pharmaceuticals".

7. During the year, the Company has allotted 133,555 equity shares of ₹2 each to employees of the Company under an approved employee stock option plan.

By Order of the Board

V.C. Nannapaneni
Chairman and Managing Director

Hyderabad
30 May 2017