



## 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

### STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

(₹ in millions except per share data)

	Quarter ended			Half year ended		Year ended
	30 Sep 2017 (Unaudited)	30 Jun 2017 (Unaudited)	30 Sep 2016 (Unaudited)	30 Sep 2017 (Unaudited)	30 Sep 2016 (Unaudited)	31 Mar 2017 (Audited)
	(Refer note 2)					
<b>Revenue</b>						
Revenue from operations (Refer note 4)	4,084	4,308	4,562	8,392	7,808	20,028
Other income	49	27	30	76	78	132
<b>Total revenues</b>	<b>4,133</b>	<b>4,335</b>	<b>4,592</b>	<b>8,468</b>	<b>7,886</b>	<b>20,160</b>
<b>Expenses</b>						
Cost of materials consumed	811	1,286	1,413	2,097	2,721	5,208
Excise duty (Refer note 4)	-	172	76	172	227	448
Purchases of stock-in-trade	9	187	375	196	468	687
Changes in inventories of finished goods, stock-in-trade and work-in-progress	244	(447)	(10)	(203)	(607)	(167)
Employee benefits expenses	705	603	560	1,308	1,055	2,321
Finance costs	41	38	42	79	72	175
Depreciation and amortisation expense	158	148	139	306	269	536
Other expenses	1,063	1,101	1,067	2,164	2,056	4,611
<b>Total expenses</b>	<b>3,031</b>	<b>3,088</b>	<b>3,662</b>	<b>6,119</b>	<b>6,261</b>	<b>13,819</b>
<b>Profit before tax</b>	<b>1,102</b>	<b>1,247</b>	<b>930</b>	<b>2,349</b>	<b>1,625</b>	<b>6,341</b>
<b>Tax expense / (credit)</b>						
Current tax	235	266	178	501	345	1,353
Deferred tax	(7)	7	57	-	57	-
Tax for earlier years	-	-	-	-	19	40
<b>Profit after tax</b>	<b>874</b>	<b>974</b>	<b>695</b>	<b>1,848</b>	<b>1,204</b>	<b>4,948</b>
<b>Other comprehensive income (net of taxes)</b>						
<b>Items that will not be reclassified to profit or loss</b>						
Re-measurement gains/(losses) on defined benefit plans	4	(8)	(8)	(4)	(16)	(50)
Net gain/(loss) on FVTOCI equity securities	(10)	6	2	(4)	4	28
<b>Total comprehensive income</b>	<b>868</b>	<b>972</b>	<b>689</b>	<b>1,840</b>	<b>1,192</b>	<b>4,926</b>
<b>Paid-up equity share capital of ₹2 each</b>	<b>349</b>	<b>349</b>	<b>348</b>	<b>349</b>	<b>348</b>	<b>349</b>
<b>Other equity</b>	<b>18,274</b>		<b>14,129</b>	<b>18,274</b>	<b>14,129</b>	<b>16,648</b>
<b>Earnings per share (non-annualised)</b>						
Basic (in ₹)	4.98	5.58	3.96	10.55	6.85	28.27
Diluted (in ₹)	4.97	5.56	3.95	10.53	6.84	28.24



## NATCO Pharma Limited

### STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in millions)

	30 September 2017 (Unaudited)	31 March 2017 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	8,954	8,234
(b) Capital work-in-progress	4,041	3,362
(c) Other intangible assets	53	56
(d) Financial assets		
Investments	918	859
Loans	32	-
Other financial assets	137	131
(e) Other non-current assets	661	478
	<b>14,796</b>	<b>13,120</b>
<b>Current assets</b>		
(a) Inventories	3,755	3,369
(b) Financial Assets		
Investments	285	89
Trade receivables	3,264	4,689
Cash and cash equivalents	45	128
Other bank balances	122	123
Loans	38	66
Other financial assets	683	734
(c) Current tax assets (net)	-	-
(d) Other current assets	1,142	1,153
	<b>9,334</b>	<b>10,351</b>
<b>Total assets</b>	<b>24,130</b>	<b>23,471</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	349	349
(b) Other equity	18,274	16,648
<b>Total of equity</b>	<b>18,623</b>	<b>16,997</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
Other financial liabilities	8	8
(b) Provision for employee benefits	255	219
(c) Deferred tax liabilities (net)	148	150
	<b>411</b>	<b>377</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
Borrowings	1,941	2,206
Trade payables	2,125	2,514
Other financial liabilities	732	974
(b) Other current liabilities	216	254
(c) Provision for employee benefits	25	18
(d) Current tax liabilities (net)	57	131
	<b>5,096</b>	<b>6,097</b>
<b>Total equity and liabilities</b>	<b>24,130</b>	<b>23,471</b>



## **NATCO Pharma Limited**

### **Notes to the standalone results:**

1. The Company adopted Indian Accounting Standard ("Ind AS") from 1 April 2016 and accordingly these results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34, Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting pronouncements generally accepted in India.
2. The standalone financial results for the quarter and half year ended 30 September 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 2 November 2017. These results were subjected to a limited review by the Statutory Auditors of the Company.
3. The Company operates in one reportable segment which is "Pharmaceuticals".
4. Excise duty on sales was included under Revenue from operations and disclosed separately under Expenses upto all reporting periods ending 30 June 2017. Post implementation of Goods and Services Tax (GST) from quarter ended 30 September 2017, revenue from operations is reported net of GST and hence to that extent is not comparable.

**By Order of the Board**

A handwritten signature in black ink, appearing to read "V.C. Nannapaneni", written over a horizontal line.

**Hyderabad  
2 November 2017**

**V.C. Nannapaneni  
Chairman and Managing Director**



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### STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2017

(₹ in millions except per share data)

	Quarter ended			Half year ended		Year ended
	30 Sep 2017 (Unaudited)	30 Jun 2017 (Unaudited)	30 Sep 2016 (Unaudited)	30 Sep 2017 (Unaudited)	30 Sep 2016 (Unaudited)	31 Mar 2017 (Audited)
	(Refer note 2)					
<b>Revenue</b>						
Revenue from operations (Refer note 4)	4,267	4,453	4,679	8,720	8,082	20,650
Other income	55	34	32	89	84	139
<b>Total revenues</b>	<b>4,322</b>	<b>4,487</b>	<b>4,711</b>	<b>8,809</b>	<b>8,166</b>	<b>20,789</b>
<b>Expenses</b>						
Cost of materials consumed	811	1,286	1,413	2,097	2,721	5,208
Excise duty (Refer note 4)	-	172	76	172	227	448
Purchases of stock-in-trade	79	256	427	335	643	971
Changes in inventories of finished goods, Stock-in - Trade and work-in-progress	239	(448)	(2)	(209)	(599)	(188)
Employee benefits expense	736	631	585	1,367	1,102	2,432
Finance costs	42	39	42	81	74	185
Depreciation and amortisation expense	160	150	141	310	272	544
Other expenses	1,183	1,189	1,132	2,372	2,168	4,945
<b>Total expenses</b>	<b>3,250</b>	<b>3,275</b>	<b>3,814</b>	<b>6,525</b>	<b>6,608</b>	<b>14,545</b>
<b>Profit before tax</b>	<b>1,072</b>	<b>1,212</b>	<b>897</b>	<b>2,284</b>	<b>1,558</b>	<b>6,244</b>
<b>Tax expense / (credit)</b>						
Current tax	235	266	196	501	363	1,354
Deferred tax	(7)	9	39	2	39	1
Tax for earlier years	-	-	-	-	19	40
<b>Profit after tax</b>	<b>844</b>	<b>937</b>	<b>662</b>	<b>1,781</b>	<b>1,137</b>	<b>4,849</b>
<b>Other comprehensive income (net of taxes)</b>						
<b>Items that will not be reclassified to profit or loss</b>						
Re-measurement gains/(losses) on defined benefit plans	2	(8)	(8)	(6)	(16)	(50)
Net (loss)/gain on FVTOCI equity securities	(12)	7	2	(5)	4	28
<b>Items that will be reclassified to profit or loss</b>						
Exchange differences on translation of foreign operations	7	38	-	45	-	(12)
<b>Total comprehensive income</b>	<b>841</b>	<b>974</b>	<b>656</b>	<b>1,815</b>	<b>1,125</b>	<b>4,815</b>
<b>Profit attributable to:</b>						
Owners of the parent	848	940	665	1,788	1,142	4,860
Non-controlling interests	(4)	(3)	(3)	(7)	(5)	(11)
<b>Total comprehensive income attributable to:</b>						
Owners of the parent	845	977	659	1,822	1,130	4,826
Non-controlling interests	(4)	(3)	(3)	(7)	(5)	(11)
<b>Paid-up equity share capital of ₹2 each</b>	<b>349</b>	<b>349</b>	<b>348</b>	<b>349</b>	<b>348</b>	<b>349</b>
<b>Other equity</b>	<b>17,755</b>		<b>13,661</b>	<b>17,755</b>	<b>13,661</b>	<b>16,144</b>
<b>Earnings per share (non-annualised)</b>						
Basic (in ₹)	4.82	5.59	3.79	10.41	6.49	27.78
Diluted (in ₹)	4.82	5.58	3.78	10.40	6.48	27.75



**NATCO Pharma Limited**

**CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES**

(₹ in millions)

	30 September 2017 (Unaudited)	31 March 2017 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Property, plant and equipment	8,989	8,272
(b) Capital work-in-progress	4,041	3,363
(c) Other intangible assets	55	58
(d) Financial assets		
Investments	4	1
Other financial assets	157	131
(e) Other non-current assets	661	478
	<b>13,907</b>	<b>12,303</b>
<b>Current assets</b>		
(a) Inventories	3,861	3,489
(b) Financial Assets		
Investments	495	321
Trade receivables	3,389	4,752
Cash and cash equivalents	113	235
Other bank balances	123	123
Loans	38	35
Other financial assets	666	752
(c) Current tax assets (net)	-	-
(d) Other current assets	1,149	1,166
	<b>9,834</b>	<b>10,873</b>
<b>Total assets</b>	<b>23,741</b>	<b>23,176</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
(a) Equity share capital	349	349
(b) Other equity	17,755	16,144
<b>Equity attributable to owners</b>	<b>18,104</b>	<b>16,493</b>
Non-controlling interest	8	41
<b>Total of Equity</b>	<b>18,112</b>	<b>16,534</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
(a) Financial liabilities		
Other financial liabilities	8	8
(b) Provision for employee benefits	255	219
(c) Deferred tax liabilities (net)	152	150
	<b>415</b>	<b>377</b>
<b>Current liabilities</b>		
(a) Financial liabilities		
Borrowings	1,947	2,216
Trade payables	2,220	2,627
Other financial liabilities	747	1,014
(b) Other current liabilities	218	257
(c) Provision for employee benefits	25	18
(d) Current tax liabilities (net)	57	133
	<b>5,214</b>	<b>6,265</b>
<b>Total equity and liabilities</b>	<b>23,741</b>	<b>23,176</b>



## **NATCO Pharma Limited**

### **Notes to the consolidated results:**

1. The Company adopted Indian Accounting Standard ("Ind AS") from 1 April 2016 and accordingly these results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34, Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting pronouncements generally accepted in India.
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**Hyderabad  
2 November 2017**

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Chairman and Managing Director**