



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 CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017

(₹ in millions except per share data)

	Quarter ended			Nine months ended		Year ended
	31 Dec 2017 (Unaudited)	30 Sep 2017 (Unaudited)	31 Dec 2016 (Unaudited)	31 Dec 2017 (Unaudited)	31 Dec 2016 (Unaudited)	31 Mar 2017 (Audited)
	(Refer note 2)					
Revenue						
Revenue from operations (Refer note 4)	5,622	4,267	6,790	14,342	14,872	20,650
Other income	114	55	61	203	145	139
Total revenues	5,736	4,322	6,851	14,545	15,017	20,789
Expenses						
Cost of materials consumed	733	811	1,477	2,830	4,198	5,208
Excise duty (Refer note 4)	-	-	91	172	317	448
Purchases of stock-in-trade	89	79	273	424	916	971
Changes in inventories of finished goods, Stock-in - Trade and work-in-progress	(164)	239	305	(373)	(294)	(188)
Employee benefits expense	788	736	626	2,155	1,729	2,432
Finance costs	43	42	46	124	120	185
Depreciation and amortisation expense	172	160	137	482	409	544
Other expenses	1,311	1,183	1,416	3,683	3,585	4,945
Total expenses	2,972	3,250	4,371	9,497	10,980	14,545
Profit before tax	2,764	1,072	2,480	5,048	4,037	6,244
Tax expense / (credit)						
Current tax	590	235	512	1,091	875	1,354
Deferred tax	-	(7)	19	2	58	1
Tax for earlier years	-	-	-	-	19	40
Profit after tax	2,174	844	1,949	3,955	3,085	4,849
Other comprehensive income (net of taxes)						
Items that will not be reclassified to profit or loss						
Re-measurement gains/(losses) on defined benefit plans	(1)	2	(8)	(7)	(24)	(50)
Net (loss)/gain on FVTOCI equity securities	5	(12)	5	0	9	28
Items that will be reclassified to profit or loss						
Exchange differences on translation of foreign operations	(11)	7	-	34	-	(12)
Total comprehensive income	2,167	841	1,946	3,982	3,070	4,815
Profit attributable to:						
Owners of the parent	2,175	848	1,951	3,963	3,093	4,860
Non-controlling interests	(1)	(4)	(2)	(8)	(8)	(11)
Total comprehensive income attributable to:						
Owners of the parent	2,168	845	1,948	3,990	3,078	4,826
Non-controlling interests	(1)	(4)	(2)	(8)	(8)	(11)
Paid-up equity share capital of ₹2 each	369	349	349	369	349	349
Other equity		17,755				16,144
Earnings per share (non-annualised)						
Basic (in ₹)	12.29	4.82	11.18	22.76	17.67	27.78
Diluted (in ₹)	12.25	4.82	11.16	22.71	17.64	27.75



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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.
2. The consolidated financial results for the quarter and nine months ended 31 December 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 6 February 2018. These results were subjected to a limited review by the Statutory Auditors of the Company.
3. The Group 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.
5. During the quarter, the Company has allotted 177,500 equity shares of ₹2 each, fully paid up on exercise of options by employees in accordance with the Company's Employee Stock Options scheme.
6. In accordance with provisions of Chapter VIII of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and pursuant to the approval accorded by the shareholders in the Extra-Ordinary General Meeting on 29 November 2017, the Company has raised a sum of ₹9,150 million during the current quarter by allotment of 10,000,000 equity shares of ₹2 each at a premium of ₹913 per share through Qualified Institutional Placement.
7. The Board of Directors have recommended a second interim dividend of ₹7 per equity share of ₹2 each for the current financial year.

By Order of the Board

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

**Hyderabad
6 February 2018**

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



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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2017

(₹ in millions except per share data)

	Quarter ended			Nine months ended		Year ended
	31 Dec 2017 (Unaudited)	30 Sep 2017 (Unaudited)	31 Dec 2016 (Unaudited)	31 Dec 2017 (Unaudited)	31 Dec 2016 (Unaudited)	31 Mar 2017 (Audited)
	(Refer note 2)					
Revenue						
Revenue from operations (Refer note 4)	5,403	4,084	6,666	13,795	14,475	20,028
Other income	112	49	61	188	140	132
Total revenues	5,515	4,133	6,727	13,983	14,615	20,160
Expenses						
Cost of materials consumed	733	811	1,477	2,830	4,198	5,208
Excise duty (Refer note 4)	-	-	91	172	317	448
Purchases of stock-in-trade	10	9	212	206	680	687
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(136)	244	334	(339)	(273)	(167)
Employee benefits expenses	754	705	600	2,062	1,657	2,321
Finance costs	41	41	44	120	116	175
Depreciation and amortisation expense	171	158	135	477	404	536
Other expenses	1,179	1,063	1,332	3,343	3,389	4,611
Total expenses	2,752	3,031	4,225	8,871	10,488	13,819
Profit before tax	2,763	1,102	2,502	5,112	4,127	6,341
Tax expense / (credit)						
Current tax	590	235	530	1,091	876	1,353
Deferred tax	-	(7)	1	-	58	-
Tax for earlier years	-	-	-	-	18	40
Profit after tax	2,173	874	1,971	4,021	3,175	4,948
Other comprehensive income (net of taxes)						
Items that will not be reclassified to profit or loss						
Re-measurement gains/(losses) on defined benefit plans	(3)	4	(8)	(7)	(24)	(50)
Net gain/(loss) on FVTOCI equity securities	4	(10)	5	0	9	28
Total comprehensive income	2,174	868	1,968	4,014	3,160	4,926
Paid-up equity share capital of ₹2 each	369	349	349	369	349	349
Other equity		18,274				16,648
Earnings per share (non-annualised)						
Basic (in ₹)	12.33	4.98	11.29	22.94	18.14	28.27
Diluted (in ₹)	12.29	4.97	11.28	22.89	18.12	28.24



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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 nine months ended 31 December 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 6 February 2018. 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".
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