



Natco Pharma Limited

Regd. Off. : 'NATCO HOUSE', Road No. 2, Banjara Hills, Hyderabad - 500034.
Telangana, INDIA. Tel : +91 40 23547532, Fax : +91 40 23548243
CIN : L24230TG1981PLC003201, www.natcopharma.co.in

9th February 2023

Corporate Relationship Department
M/s. BSE Ltd.
Dalal Street, Fort
Mumbai – 400 001.
Scrip Code: **524816**

The Manager – Listing
M/s. National Stock Exchange of India Ltd.
Exchange Plaza, Bandra-Kurla Complex
Bandra(E), **MUMBAI – 400 051.**
Scrip Code: **NATCOPHARM**

Dear Sir/Madam,

Sub: Outcome of Board Meeting

We would like to inform you that the Board of Directors of the Company at their meeting held today have considered and approved the following along with other items of business:

1. Unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended 31st December, 2022 prepared under Indian Accounting Standards (IND-AS) and as per Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") along with Limited Review Report of the Statutory Auditors. Please find enclosed herewith the copy of the same for your information.
2. Declared 3rd interim dividend of Rs.1.25 (one rupee twenty-five paise only i.e., 62.50%) each per equity share of Rs.2/- (Rupees two only) each for the financial year 2022-23. The date for taking on record of its shareholders eligible for the purpose of payment of 3rd interim dividend i.e., record date is fixed as **Tuesday, the 21st day of February, 2023**. The payment of said interim dividend will be from 1st March, 2023.
3. The Board of Directors have approved to make the investment for an amount not exceeding Rs.13 Crores (6.68% of the capital on a fully diluted basis) in M/s. Redcliffe Hygiene Private Limited. Brief disclosure under Regulation 30 and sub-para (1) of para (A) of part (A) of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed.

A Copy of Press release is also enclosed for your information.

We are also updating the financial results on the website of the Company.

Meeting commenced at 12.33 p.m. and concluded at 1.40 p.m.

Thanking you

Yours faithfully,
For NATCO Pharma Limited

Ch. Venkat Ramesh
Company Secretary &
Compliance Officer

Encl: As above



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 CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2022

(₹ in millions except per share data)

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from operations	4,925	4,321	5,605	18,092	13,480	19,448
2	Other income	208	205	302	756	852	990
3	Total income (1+2)	5,133	4,526	5,907	18,848	14,332	20,438
4	Expenses						
	Cost of materials consumed	1,328	1,013	1,006	3,290	3,261	5,192
	Purchases of stock-in-trade	470	467	56	1,244	260	585
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(644)	(422)	(132)	(845)	(875)	(168)
	Employee benefits expense (refer note 9)	1,056	1,103	1,182	3,678	3,355	4,448
	Finance costs	38	38	50	118	110	177
	Depreciation and amortisation expense	415	417	360	1,228	1,045	1,426
	Other expenses	1,656	1,207	2,475	4,760	4,658	6,756
	Total expenses	4,319	3,823	4,997	13,473	11,814	18,416
5	Profit before tax (3-4)	814	703	910	5,375	2,518	2,022
6	Tax expense						
	(i) Current tax	182	141	167	1,044	484	478
	(ii) Deferred tax	9	(6)	(61)	(64)	(171)	(156)
	Total tax expense	191	135	106	980	313	322
7	Profit for the period/year (5-6)	623	568	804	4,395	2,205	1,700
8	Other comprehensive income (net of tax)						
	A. Items that will not be reclassified subsequently to profit or loss:						
	Remeasurement of defined benefit plans	-	-	(2)	-	(6)	6
	Net gains from investments in equity instruments designated at Fair value through other comprehensive income (FVTOCI)	(40)	(5)	335	(166)	411	442
	Income-tax relating to items that will not be reclassified to profit or loss	4	1	(29)	19	(36)	(44)
		(36)	(4)	304	(147)	369	404
	B. Items that will be reclassified subsequently to profit or loss:						
	Exchange differences on translation of foreign operations	120	(31)	(26)	176	(91)	93
		120	(31)	(26)	176	(91)	93
	Total other comprehensive income (net of tax) (A+B)	84	(35)	278	29	278	497
9	Total comprehensive income for the period/ year (7+8)	707	533	1,082	4,424	2,483	2,197
10	Profit for the period/year attributable to:						
	Owners of the Company	623	568	804	4,395	2,205	1,700
	Non-controlling interests*	0	0	-	-	-	0
11	Other comprehensive income attributable to:						
	Owners of the Company	84	(35)	278	29	278	497
	Non-controlling interests	-	-	-	-	-	-
12	Total comprehensive income attributable to:						
	Owners of the Company	707	533	1,082	4,424	2,483	2,197
	Non-controlling interests*	0	0	-	-	-	0
13	Paid-up equity share capital (face value of ₹2 each)	365	365	365	365	365	365
14	Other equity						42,271
15	Earnings per share (not annualised for the quarters) (face value ₹2 each)						
	Basic (in ₹)	3.41	3.11	4.41	24.08	12.09	9.32
	Diluted (in ₹)	3.41	3.11	4.40	24.08	12.08	9.32

*The numbers are rounded off to nearest million.

See accompanying notes to the consolidated financial results.



NATCO Pharma Limited

Segment reporting:

(₹ in millions except share data)

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment revenue						
	a. Pharmaceuticals	4,826	4,291	5,602	17,953	13,437	19,399
	b. Agro chemicals	99	30	3	139	43	49
		4,925	4,321	5,605	18,092	13,480	19,448
	Add: Unallocated	-	-	-	-	-	-
	Total revenue from operations	4,925	4,321	5,605	18,092	13,480	19,448
2	Segment results						
	a. Pharmaceuticals	894	754	1,060	5,612	2,820	2,480
	b. Agro chemicals	(42)	(13)	(100)	(119)	(192)	(281)
	Total segment result	852	741	960	5,493	2,628	2,199
	Less:						
	a. Finance cost	(38)	(38)	(50)	(118)	(110)	(177)
	b. Net unallocated (income)/expenditure	-	-	-	-	-	-
	Total profit before tax	814	703	910	5,375	2,518	2,022
3	Segment assets						
	a. Pharmaceuticals	45,234	43,607	44,808	45,234	44,808	44,609
	b. Agro chemicals	3,500	3,368	3,321	3,500	3,321	3,372
	Total segment assets	48,734	46,975	48,129	48,734	48,129	47,981
	Add:						
	a. Unallocated	3,572	3,804	3,187	3,572	3,187	3,110
	Total assets	52,306	50,779	51,316	52,306	51,316	51,091
4	Segment liabilities						
	a. Pharmaceuticals	4,740	3,994	4,171	4,740	4,171	4,065
	b. Agro chemicals	7	4	42	7	42	40
	Total segment liabilities	4,747	3,998	4,213	4,747	4,213	4,105
	Add:						
	a. Unallocated	1,277	1,068	3,821	1,277	3,821	4,350
	Total liabilities	6,024	5,066	8,034	6,024	8,034	8,455



NATCO Pharma Limited

Notes to the consolidated financial results:

- 1) The unaudited consolidated financial results of NATCO Pharma Limited ("the Company") and its subsidiaries (together referred as "the Group") have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2) The unaudited consolidated financial results for the quarter and nine months ended 31 December 2022 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 09 February 2023.
- 3) The results of the Group for the quarter and nine months ended 31 December 2022, have been reviewed by the statutory auditors and they have issued an unmodified review report on the same. The review report of the statutory auditors is being filed with the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') and is also available on the Company's website.
- 4) The consolidated financial results for the quarter and nine months ended 31 December 2022 includes financial results of the following subsidiaries/step-down subsidiaries:

Sr. No	Name of the Entity
1	NATCO Pharma Inc., United States of America
2	Dash Pharmaceuticals LLC, United States of America (subsidiary of NATCO Pharma Inc.)
3	Time Cap Overseas Limited, Mauritius
4	NatcoFarma do Brasil Ltda, Brazil (subsidiary of Time Cap Overseas Limited)
5	NATCO Pharma (Canada) Inc., Canada
6	NATCO Pharma Asia Pte. Ltd., Singapore
7	NATCO Pharma Australia PTY Ltd., Australia
8	NATCO Lifesciences Philippines Inc., Philippines

- 5) During the nine months ended 31 December 2022, 37,000 equity shares of ₹ 2 each, fully-paid up, were allotted upon exercise of the vested stock options pursuant to the ESOP 2017 schemes resulting in an increase in the paid-up share capital of ₹ 0.07 million and securities premium account of ₹ 35.31 million.
- 6) During the year ended 31 March 2022, NATCO Pharma Limited through its wholly owned subsidiary, NATCO Pharma Inc. USA, had acquired Dash Pharmaceuticals LLC ("Dash"), a New Jersey based entity for a consideration of USD 18 million (₹ 1,341 million). Pursuant to this, Dash became a 100% wholly owned subsidiary of NATCO Pharma Inc. and a step-down subsidiary of NATCO Pharma Limited with effect from 1 January 2022.
- 7) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 8) The Group has considered internal and external sources of information while assessing the recoverability of its assets upto the date of approval of these financial results by the Board of Directors. Based on such assessment and considering the current economic indicators, the Group expects to recover the carrying amount of these assets. The Board of Directors has also considered the impact of COVID-19 on the business for the foreseeable future and have concluded that the Group has sufficient resources to continue as a going concern. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Group will continue to closely monitor any material changes to future economic conditions.
- 9) Employee benefits expense includes compensation amounting to INR 291 million paid under voluntary retirement scheme during the nine months ended 31 December 2022.
- 10) The unaudited standalone financial results, for the quarter and nine months ended 31 December 2022 can be viewed on the website of the Company, NSE and BSE at www.natcopharma.co.in, www.nseindia.com, and www.bseindia.com respectively. Information of unaudited standalone financial results of the Company in terms of Regulation 47(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as under:

(₹ in millions)

Particulars	Quarter ended			Nine months ended		Year ended
	31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total revenue from operations	4,130	3,511	5,295	15,698	12,537	17,678
Profit before tax	450	463	797	4,643	2,230	1,559
Net profit for the period/ year	373	377	716	3,830	2,004	1,391
Total comprehensive income	337	373	1,020	3,683	2,372	1,795

- 11) The Board of Directors at their meeting held on 09 February 2023 have approved an interim dividend of ₹1.25 per equity share for the quarter ended 31 December 2022. An interim dividend of ₹0.75 per equity share for the quarter ended 30 September 2022 and an interim dividend of ₹3.50 per equity share for the quarter ended 30 June 2022 was approved by the Board of Directors at their meetings held on 10 November 2022 and 09 August 2022 respectively.

By order of the Board
For NATCO Pharma Limited

V C Nannapaneni
Managing Director
(DIN: 00183315)

Place: Hyderabad
Date: 09 February 2023

B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City,
Orwell, B Wing, 6th Floor, Unit-3,
Sy No. 83/1, Plot No. 02, Raidurg,
Hyderabad – 500 081 - India

Telephone: +91 40 7182 2000
Fax: +91 40 7182 2399

Limited Review Report on unaudited consolidated financial results of NATCO Pharma Limited for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of NATCO Pharma Limited

1. We have reviewed the accompanying Statement of unaudited consolidated financial results of NATCO Pharma Limited (hereinafter referred to as "the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following entities.

Name of the entity	Relationship
NATCO Pharma Limited	Parent
Natco Pharma Inc., United States of America ('USA')	Subsidiary
Dash Pharmaceuticals LLC, USA (Subsidiary of NATCO Pharma Inc.)	Step-down subsidiary
Time Cap Overseas Limited, Mauritius ('TCOL')	Subsidiary
NatcoFarma do Brasil Ltda., Brazil (Subsidiary of TCOL)	Step-down subsidiary
NATCO Pharma (Canada) Inc., Canada	Subsidiary
NATCO Pharma Asia Pte. Ltd, Singapore	Subsidiary
NATCO Pharma Australia PTY Ltd., Australia	Subsidiary
NATCO Lifesciences Philippines Inc., Philippines	Subsidiary

Registered Office:

B S R & Associates (a partnership firm with Registration No. BA89226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Limited Review Report (Continued)

NATCO Pharma Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We did not review the interim financial information of eight subsidiaries/ step down subsidiaries included in the Statement, whose interim financial information reflect total revenues (before consolidation adjustment) of INR 1,689.44 million and INR 3,925.10 million, total net profit after tax (before consolidation adjustment) of INR 262.04 million and INR 527.43 million and total comprehensive income (before consolidation adjustment) of INR 262.04 million and INR 527.43 million, for the quarter ended 31 December 2022 and for the period from 01 April 2022 to 31 December 2022 respectively, as considered in the Statement. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Parent's management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

These subsidiaries are located outside India whose interim financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the interim financial information of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Parent's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the reports of other auditors and the conversion adjustments prepared by the management of the Parent and reviewed by us.

Our conclusion is not modified in respect of this matter.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No.:116231WW-100024

Vikash Somani

Vikash Somani

Partner

Membership No.: 061272

UDIN:23061272BGYRUS2260

Hyderabad

09 February 2023



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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2022

(₹ in millions except per share data)

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2022	30 September 2022	31 December 2021	31 December 2022	31 December 2021	31 March 2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from operations	4,130	3,511	5,295	15,698	12,537	17,678
2	Other income	186	162	316	680	842	946
3	Total income (1+2)	4,316	3,673	5,611	16,378	13,379	18,624
	Expenses						
	Cost of materials consumed	1,328	1,013	1,006	3,290	3,261	5,192
	Purchases of stock-in-trade	37	64	44	143	166	209
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(188)	(260)	(109)	(188)	(792)	(55)
	Employee benefits expense (refer note 8)	919	982	1,116	3,284	3,115	4,101
	Finance costs	30	17	41	74	91	133
	Depreciation and amortisation expense	381	383	355	1,133	1,028	1,384
	Other expenses	1,359	1,011	2,361	3,999	4,280	6,101
	Total expenses	3,866	3,210	4,814	11,735	11,149	17,065
5	Profit before tax (3-4)	450	463	797	4,643	2,230	1,559
	Tax expense						
	(i) Current tax	80	92	142	832	397	325
	(ii) Deferred tax	(3)	(6)	(61)	(19)	(171)	(157)
	Total tax expense	77	86	81	813	226	168
7	Profit for the period/ year (5-6)	373	377	716	3,830	2,004	1,391
	Other comprehensive income (net of tax)						
	Items that will not be subsequently reclassified to profit or loss:						
	Remeasurement of defined benefit plans	-	-	(2)	-	(6)	6
	Net gains from investments in equity instruments designated at Fair value through other comprehensive income (FVTOCI)	(40)	(5)	335	(166)	411	442
	Income-tax relating to items that will not be reclassified to profit or loss	4	1	(29)	19	(37)	(44)
	Total other comprehensive income (net of tax)	(36)	(4)	304	(147)	368	404
9	Total comprehensive income for the period/ year (7+8)	337	373	1,020	3,683	2,372	1,795
10	Paid-up equity share capital (face value of ₹2 each)	365	365	365	365	365	365
11	Other equity						41,554
	Earnings per share (not annualised for the quarters) (face value ₹2 each)						
	Basic (in ₹)	2.04	2.07	3.93	20.98	10.99	7.63
	Diluted (in ₹)	2.04	2.07	3.92	20.98	10.98	7.63

See accompanying notes to the standalone financial results.



NATCO Pharma Limited

Notes to the standalone financial results:

- 1) The unaudited standalone financial results of NATCO Pharma Limited ("the Company") have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and in terms of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2) The unaudited standalone financial results for the quarter and nine months ended 31 December 2022 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 09 February 2023.
- 3) The results of the Company for the quarter and nine months ended 31 December 2022, have been reviewed by the statutory auditors and they have issued an unmodified review report on the same. The review report of the statutory auditors is being filed with the National Stock Exchange of India Limited ('NSE') and BSE Limited ('BSE') and is also available on the Company's website.
- 4) Where financial results contain both consolidated and standalone financial results of the parent, segment information is required to be presented only in the consolidated financial results. Accordingly, segment information has been presented in the consolidated financial results.
- 5) During the nine months ended 31 December 2022, 37,000 equity shares of ₹ 2 each, fully-paid up, were allotted upon exercise of the vested stock options pursuant to the ESOP 2017 schemes resulting in an increase in the paid-up share capital of ₹ 0.07 million and securities premium account of ₹ 35.31 million.
- 6) The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.
- 7) The Company has considered internal and external sources of information while assessing the recoverability of its assets upto the date of approval of these financial results by the Board of Directors. Based on such assessment and considering the current economic indicators, the Company expects to recover the carrying amount of these assets. The Board of Directors has also considered the impact of COVID-19 on the business for the foreseeable future and have concluded that the Company has sufficient resources to continue as a going concern. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- 8) Employee benefits expense includes compensation amounting to INR 291 million paid under voluntary retirement scheme during the nine months ended 31 December 2022.
- 9) The Board of Directors at their meeting held on 09 February 2023 have approved an interim dividend of ₹1.25 per equity share for the quarter ended 31 December 2022. An interim dividend of ₹0.75 per equity share for the quarter ended 30 September 2022 and an interim dividend of ₹3.50 per equity share for the quarter ended 30 June 2022 was approved by the Board of Directors at their meetings held on 10 November 2022 and 09 August 2022 respectively.

**By order of the Board
For NATCO Pharma Limited**

V C Nannapaneni
Managing Director
(DIN: 00183315)

Place: Hyderabad
Date: 09 February 2023

B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City,
Orwell, B Wing, 6th Floor, Unit-3,
Sy No. 83/1, Plot No. 02, Raidurg,
Hyderabad – 500 081 - India

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Limited Review Report on unaudited standalone financial results of NATCO Pharma Limited for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 pursuant to Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To the Board of Directors of NATCO Pharma Limited

1. We have reviewed the accompanying Statement of unaudited standalone financial results of NATCO Pharma Limited (hereinafter referred to as "the Company") for the quarter ended 31 December 2022 and year to date results for the period from 01 April 2022 to 31 December 2022 ("the Statement").
2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"). Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Associates LLP

Chartered Accountants

Firm's Registration No.: 116231WW-100024

Vikash Somani

Vikash Somani

Partner

Hyderabad

09 February 2023

Membership No.: 061272

UDIN:23061272BGYRUT1307

Registered Office:

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

Annexure

Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1) Redcliffe Hygiene Private Limited

Sl. No.	Particulars	Details of Investment
A	Name of the target entity, details in brief such as size, turnover etc.	1) Name of the target entity Redcliffe Hygiene Private Limited ("Redcliffe") 2) Details in brief such as size, turnover etc. Redcliffe Hygiene Private Limited is engaged in the business of fast-moving consumer goods business of female hygiene & wellness products. For the year ended March 31, 2022, the gross revenue is ₹ 39.74 crores.
B	Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	No
C	Industry to which the entity being acquired belongs	Healthcare
D	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	Wellness & Hygiene segment is considered to be fast-moving consumer business. Objective is to support entrepreneurship and brand creation in this segment, thus participating in the overall growth.
E	Brief details of any governmental or regulatory approvals required for the acquisition	Not applicable
F	Indicative time period for completion of the acquisition;	February 28, 2023
G	Nature of consideration - whether cash consideration or share swap and details of the same	Cash consideration of ₹ 13 crores
H	Cost of acquisition or the price at which the shares are acquired	₹ 15,997.59 per share
I	Percentage of shareholding / control acquired and / or number of shares acquired	6.68%

(Signature)



Sl. No.	Particulars	Details of Investment
J	brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>1. Brief background:</p> <p>Redcliffe Hygiene Private Limited is engaged in the business of fast-moving consumer goods business of female hygiene & wellness products.</p> <p>2. Line of business:</p> <p>Healthcare</p> <p>3. Date of incorporation:</p> <p>April 5, 2017</p> <p>4. Turnover of last 3 years ending December 31 (in ₹ crores):</p> <p>For the year 2022: ₹ 39.74 crores For the year 2021: ₹ 30.42 crores For the year 2020: ₹ 18.44 crores</p> <p>5. Country in which the acquired entity has presence:</p> <p>India</p>






Natco Pharma Limited

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CIN : L24230TG1981PLC003201, www.natcopharma.co.in

Ref: PR/18/2022-23

9th February 2023

NATCO records INR 513.3 Crore consolidated revenue and INR 62.3 Crore of profit, after tax, for the Third Quarter, FY2022-23

Hyderabad based NATCO Pharma Limited (NSE: NATCOPHARM; BSE: 524816) has recorded consolidated total revenue of INR 513.3 Crore, for the Third quarter ended on 31st December, 2022, as against INR 590.7 Crore for the same period last year that had a one-time licensing revenue. The net profit for the period, on a consolidated basis, was INR 62.3 Crores as against INR 80.4 Crore same period last year.

For 9 months ending December 31st, 2022, the company recorded total revenue of INR 1884.8 Crore as against INR 1433.2 Crore for same period last year and on the net profit side, the company recorded INR 439.5 Crore as against INR 220.5 Crore.

Segmental Revenue Split (All Figures in INR Crore)-

Segment	Revenue, Q3 FY23	Revenue, Q2 FY23	Revenue, Q3 FY22
API	42.6	44.1	61.7
Formulations, Domestic	101.1	93.5	100.3
Formulations, Exports (incl. Profit Share & Foreign Subs)	333.7	283.4	383.1
Other Operating income & non-operating income	26.0	28.6	45.3
Crop Health Sciences (CHS)	9.9	3.0	0.3
TOTAL	513.3	452.6	590.7

The Board of Directors has declared 3rd interim dividend of INR 1.25 per equity share, for FY 2022-23.

For NATCO Pharma Limited

Ch. Venkat Ramesh
Company Secretary &
Compliance Officer