



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

14th February, 2024

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, 2023 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.
2. Declared third interim dividend of Rs.1.25 (Rupees one Rupee and paise Twenty five only i.e., 62.50 %) each per equity share of Rs.2/- (Rupees two only) each for the financial year 2023-24. The date for taking on record of its shareholders eligible for the purpose of payment of third interim dividend i.e., record date is fixed as Monday, the 26th day of February, 2024. The payment of said interim dividend will start from Monday, the 4th day of March 2024.
3. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company have appointed/ re-appointed the following Director(s):
 - i. Appointment of Sri Agnihotra Dakshina Murty Chavali (DIN:00374673) as Independent Director of the Company for a period of five (5) years w.e.f. 1st April, 2024.
 - ii. Appointment of Sri Vijayabhaskar Dronadula (DIN: 07158951) as Independent Director of the Company for a period of five (5) years w.e.f. 1st April, 2024.
 - iii. Appointment of Sri Venkaiah Chowdary Nannapaneni (DIN: 00183315) as Chairman & Managing Director of the Company for a period of two (2) years w.e.f. 1st April, 2024 and payment of remuneration.
 - iv. Appointment of Sri Rajeev Nannapaneni (DIN: 00183872) as Vice Chairman & Chief Executive Officer of the Company for a period of two (2) years w.e.f. 1st April, 2024 and payment of remuneration.



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- v. Re-appointment of Sri Potluri Sivaramakrishna Prasad (DIN: 07011140) as Director and Executive Vice President (Corporate Engineering Services) of the Company for a period of two (2) years w.e.f. 1st April, 2024 and payment of remuneration.
- vi. Re-appointment of Dr. Donthineni Linga Rao (DIN: 07088404) as Director & President (Tech. Affairs) of the Company for a period of two (2) years w.e.f. 1st April, 2024 and payment of remuneration.
- vii. Re-appointment of Dr. Pavan Ganapati Bhat (DIN: 09691260) as Director & Executive Vice President (Technical Operations) of the Company for a period of two (2) years w.e.f. 1st April, 2024 and payment of remuneration.

We hereby confirm that all the above-mentioned Appointed/Re-appointed Director(s) are not debarred from holding the office of Director by virtue of any Securities and Exchange Board of India (SEBI) order or any other such authority.

The aforesaid appointment(s)/re-appointment(s) are subject to approval of shareholders. The Board decided to seek the approval of the shareholders of the Company by way of Postal Ballot.

4. The Board also took note of Sri Sreerama Murthy Gubbala (DIN: 00122454) and Sri. Govinda Prasad Dasu (DIN: 00160408), Independent Directors of the Company, completing their second term of 5 years with effect from 1st April, 2024.
5. The re-constitution of the Committees of the Company with the following members with effect from 1st April, 2024:

AUDIT COMMITTEE

Sl. No.	NAME OF THE MEMBERS	DESIGNATION
1	Dr. T. V. Rao	Independent Director
2	Dr. M.U.R. Naidu	Independent Director
3	Sri A.D.M. Chavali	Independent Director

STAKEHOLDERS RELATIONSHIP COMMITTEE

Sl. No.	NAME OF THE MEMBERS	DESIGNATION
1	Sri V.C. Nannapaneni	Chairman & Managing Director
2	Sri Rajeev Nannapaneni	Vice Chairman and Chief Executive Officer
3	Dr. M.U.R. Naidu	Independent Director
4	Sri D. Vijaya Bhaskar	Independent Director



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NOMINATION AND REMUNERATION COMMITTEE

Sl. No.	NAME OF THE MEMBERS	DESIGNATION
1	Dr. M.U.R. Naidu	Independent Director
2	Dr. T. V. Rao	Independent Director
3	Sri D. Vijaya Bhaskar	Independent Director

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Sl. No.	NAME OF THE MEMBERS	DESIGNATION
1	Sri V.C. Nannapaneni	Chairman & Managing Director
2	Sri Rajeev Nannapaneni	Vice Chairman and Chief Executive Officer
3	Dr. Mrs. Leela Digumarti	Independent Director
4	Sri D. Vijaya Bhaskar	Independent Director

RISK MANAGEMENT COMMITTEE

Sl. No.	NAME OF THE MEMBERS	DESIGNATION
1	Sri V.C. Nannapaneni	Chairman & Managing Director
2	Sri Rajeev Nannapaneni	Vice Chairman and Chief Executive Officer
3	Sri P.S.R.K. Prasad	Director & Executive Vice President (Corporate Engineering Services)
4	Dr. D. Linga Rao	Director & President (Technical Affairs)
5	Dr. M.U.R Naidu	Independent Director
6	Dr. Pavan Ganapati Bhat	Director & Executive Vice President (Technical Operations)
7	Sri A. Lakshminarayana	Senior Vice President – HR & OD
8	Sri S.V.V.N. Appa Rao	Chief Financial Officer
9	Dr. M. Pulla Reddy	Executive Vice President – R&D
10	Sri Nadella Malleswara Rao	Vice President – Head Operations

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 12.30 p.m. and concluded at 13.50 p.m.

Thanking you

Yours faithfully,
For Natco Pharma Limited

Ch. Venkat Ramesh
Company Secretary &
Compliance Officer

Encl: As above

Limited Review Report on unaudited consolidated financial results of NATCO Pharma Limited for the quarter ended 31 December 2023 and year to date results for the period from 01 April 2023 to 31 December 2023 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 2023 and year to date results for the period from 01 April 2023 to 31 December 2023 ("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
NATCO Pharma USA LLC, USA (Formerly known as Dash Pharmaceuticals LLC, USA - name changed w.e.f. 12 April 2023) (Subsidiary of NATCO Pharma Inc.)	Step-down Subsidiary
Time Cap Overseas Limited, Mauritius ('TCOL')	Subsidiary

Registered Office:

Limited Review Report (Continued)

NATCO Pharma Limited

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
NATCO Pharma UK Limited, United Kingdom (incorporated on 04 September 2023)	Subsidiary
PT. NATCO Lotus Farma, Indonesia (incorporated on 28 August 2023)	Subsidiary

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 nine subsidiaries/ step down subsidiaries included in the Statement, whose interim financial information reflect total revenues (before consolidation adjustments) of INR 1,565 million and INR 4,117 million, total net profit after tax (before consolidation adjustments) of INR 190 million and INR 438 million and total comprehensive income (before consolidation adjustments) of INR 190 million and INR 438 million, for the quarter ended 31 December 2023 and for the period from 01 April 2023 to 31 December 2023 respectively, as considered in the Statement. These interim financial information has 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/ step down 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/ step down 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/ step down 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.

Limited Review Report (Continued)

NATCO Pharma Limited

7. The Statement includes the interim financial information of one subsidiary which has not been reviewed, whose interim financial information reflect total revenues (before consolidation adjustments) of INR Nil and INR Nil, total net profit after tax (before consolidation adjustments) of INR Nil and INR Nil and total comprehensive income (before consolidation adjustments) of INR Nil and INR Nil, for the quarter ended 31 December 2023 and for the period from 01 April 2023 to 31 December 2023 respectively, as considered in the Statement. According to the information and explanations given to us by the Parent's management, this interim financial information is not material to the Group.

Our conclusion is not modified in respect of this matter.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No.:116231W/W-100024



Amit Kumar Bajaj

Partner

Hyderabad

14 February 2024

Membership No.: 218685

UDIN:24218685BKGPNZ2453



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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2023

(₹ in millions except per share data)

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from operations	7,586	10,314	4,925	29,305	18,092	27,071
2	Other income	370	294	208	861	756	1,046
3	Total income (1+2)	7,956	10,608	5,133	30,166	18,848	28,117
	Expenses						
	Cost of materials consumed	922	1,665	1,328	3,949	3,290	4,753
	Purchases of stock-in-trade	367	410	470	1,203	1,244	1,757
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	333	83	(644)	588	(845)	(237)
	Employee benefits expense	1,219	1,224	1,056	3,825	3,678	4,867
	Finance costs	46	42	38	130	118	145
	Depreciation and amortisation expense	442	436	415	1,313	1,228	1,638
	Other expenses	2,064	2,352	1,656	7,199	4,760	6,575
	Total expenses	5,393	6,212	4,319	18,207	13,473	19,498
5	Profit before tax for the period/ year (3-4)	2,563	4,396	814	11,959	5,375	8,619
6	Tax expense						
	(i) Current tax	522	819	182	2,262	1,044	1,627
	(ii) Deferred tax	(86)	(113)	9	(323)	(64)	(161)
	Total tax expense	436	706	191	1,939	980	1,466
7	Profit for the period/ year (5-6)	2,127	3,690	623	10,020	4,395	7,153
8	Other comprehensive income/ (loss) (net of tax)						
	(i). Items that will not be reclassified to profit or loss:						
	Remeasurement of defined benefit plans	-	-	-	-	-	26
	Net gains/ (loss) from investments in equity instruments designated at Fair value through other comprehensive income (FVTOCI)	28	25	(40)	104	(166)	(236)
	Income tax relating to items that will not be reclassified to profit or loss	(3)	(3)	4	(10)	19	16
		25	22	(36)	94	(147)	(194)
	(ii). Items that will be reclassified to profit or loss:						
	Exchange differences on translating financial statements of foreign operations	154	(70)	120	180	176	221
		154	(70)	120	180	176	221
	Other comprehensive income/ (loss) for the period/ year, net of tax	179	(48)	84	274	29	27
9	Total comprehensive income for the period/ year (7+8)	2,306	3,642	707	10,294	4,424	7,180
10	Profit for the period/year attributable to:						
	Owners of the Company	2,127	3,690	623	10,020	4,395	7,153
	Non-controlling interests	-	-	-	-	-	-
11	Other comprehensive income for the period/ year attributable to:						
	Owners of the Company	179	(48)	84	274	29	27
	Non-controlling interests	-	-	-	-	-	-
12	Total comprehensive income for the period/ year attributable to:						
	Owners of the Company	2,306	3,642	707	10,294	4,424	7,180
	Non-controlling interests	-	-	-	-	-	-
13	Paid-up equity share capital (refer note 7) (Face value of ₹2 each)	358	358	365	358	365	365
14	Other equity						48,373
15	Earnings per share (not annualised for the quarters) (Face value of ₹2 each)						
	Basic (in ₹)	11.88	20.60	3.41	55.78	24.08	39.18
	Diluted (in ₹)	11.88	20.60	3.41	55.78	24.08	39.18

See accompanying notes to the unaudited consolidated financial results.

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NATCO Pharma Limited

Segment reporting:

(₹ in millions except share data)

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment revenue						
	a. Pharmaceuticals	7,445	9,796	4,826	28,159	17,953	26,662
	b. Agro chemicals	141	518	99	1,146	139	409
		7,586	10,314	4,925	29,305	18,092	27,071
	Add: Unallocated	-	-	-	-	-	-
	Total revenue from operations	7,586	10,314	4,925	29,305	18,092	27,071
2	Segment results						
	a. Pharmaceuticals	2,759	4,397	894	12,155	5,612	8,884
	b. Agro chemicals	(150)	41	(42)	(66)	(119)	(120)
	Total segment result	2,609	4,438	852	12,089	5,493	8,764
	Less:						
	a. Finance costs	(46)	(42)	(38)	(130)	(118)	(145)
	b. Net unallocated (income)/expenditure	-	-	-	-	-	-
	Total profit before tax	2,563	4,396	814	11,959	5,375	8,619
3	Segment assets						
	a. Pharmaceuticals	53,730	53,731	45,234	53,730	45,234	48,662
	b. Agro chemicals	4,140	4,439	3,500	4,140	3,500	3,966
	Total segment assets	57,870	58,170	48,734	57,870	48,734	52,628
	Add:						
	a. Unallocated	6,094	4,370	3,572	6,094	3,572	3,946
	Total assets	63,964	62,540	52,306	63,964	52,306	56,574
4	Segment liabilities						
	a. Pharmaceuticals	7,007	6,369	4,740	7,007	4,740	5,947
	b. Agro chemicals	73	129	7	73	7	14
	Total segment liabilities	7,080	6,498	4,747	7,080	4,747	5,961
	Add:						
	a. Unallocated	1,867	3,107	1,277	1,867	1,277	1,875
	Total liabilities	8,947	9,605	6,024	8,947	6,024	7,836

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NATCO Pharma Limited

Notes to the unaudited 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 (as amended).
- 2) The unaudited consolidated financial results for the quarter and nine months ended 31 December 2023 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at their meetings held on 14 February 2024.
- 3) The unaudited consolidated financial results of the Group for the quarter and nine months ended 31 December 2023, 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 unaudited consolidated financial results for the quarter and nine months ended 31 December 2023 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	NATCO Pharma USA LLC (Formerly known as 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
9	NATCO Pharma UK Limited, United Kingdom (refer note 5)
10	PT. NATCO Lotus Farma, Indonesia (refer note 5)

- 5) During the period ended 31 December 2023, the Company has incorporated a wholly owned subsidiary NATCO Pharma UK Limited in United Kingdom on 04 September 2023 and a subsidiary PT.NATCO Lotus Farma in Indonesia on 28 August 2023.
- 6) The unaudited standalone financial results, for the quarter and nine months ended 31 December 2023 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 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total income	6,548	9,552	4,316	26,729	16,378	24,365
Profit before tax	2,236	4,240	450	11,228	4,643	7,707
Net profit for the period/ year	1,920	3,602	373	9,575	3,830	6,371
Total comprehensive income for the period/ year	1,945	3,624	337	9,669	3,683	6,177

- 7) The Board of Directors at its meeting held on 08 March 2023 had approved the buy-back of fully paid up equity shares of face value of ₹ 2 each from the eligible equity shareholders of the Company other than the Promoters, the Promoter group and Persons who are in control of the Company, at a price not exceeding ₹ 700 per equity share (Maximum Buyback Price), payable in cash for an aggregate amount not exceeding ₹ 2,100 million (Maximum Buy-back Size, excluding transaction costs and taxes thereon), from the Open Market route through the stock exchange mechanism under the Companies Act, 2013 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ('Buyback Regulations').
The Buy-back commenced on 21 March 2023 and was concluded on 12 May 2023. In this regard, the Company bought back 3,447,295 equity shares, at an average price of ₹ 609.1712 per equity share resulting in total cash consideration of ₹ 2,100 million (excluding ₹ 508 towards transaction cost and tax on Buy-back). These equity shares were extinguished as per the records of the depositories. In line with the requirement of Companies Act, 2013, an amount of ₹ 2,100 million has been utilised from securities premium account for the buyback. Balance expense towards transaction cost and the tax on buy-back amounting to ₹ 508 million has been debited directly to the retained earnings. Further, capital redemption reserve of ₹ 6.89 million representing the nominal value of shares bought back, has been created in accordance with Section 69 of the Companies Act, 2013.
- 8) The Board of Directors at their meeting held on 14 February 2024 have approved an interim dividend of ₹ 1.25/- per equity share of ₹2 each for the quarter ended 31 December 2023. An interim dividend of ₹ 7/- per equity share of ₹2 each for the quarter ended 30 June 2023 and interim dividend of ₹ 1.25/- per equity share of ₹2 each for the quarter ended 30 September 2023 was approved by Board of Directors at their meetings held on 09 August 2023 and 14 November 2023 respectively.

By order of the Board
For NATCO Pharma Limited

V C Nannapaneni
Managing Director
(DIN: 00183315)

Place: Hyderabad
Date: 14 February 2024

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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Fax + 91 407 182 2399

Limited Review Report on unaudited standalone financial results of NATCO Pharma Limited for the quarter ended 31 December 2023 and year to date results for the period from 01 April 2023 to 31 December 2023 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 2023 and year to date results for the period from 01 April 2023 to 31 December 2023 ("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.: 116231W/W-100024



Amit Kumar Bajaj

Partner

Hyderabad

14 February 2024

Membership No.: 218685

UDIN: 24218685BKGPNY6946

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



NATCO Pharma Limited

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Phone: +91-40-2354 7532, Website : www.natcopharma.co.in, CIN: L24230TG1981PLC003201

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2023

(₹ in millions except per share data)

S.No.	Particulars	Quarter ended			Nine months ended		Year ended
		31 December 2023	30 September 2023	31 December 2022	31 December 2023	31 December 2022	31 March 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	Income						
1	Revenue from operations	6,253	9,305	4,130	26,041	15,698	23,510
2	Other income	295	247	186	688	680	855
3	Total income (1+2)	6,548	9,552	4,316	26,729	16,378	24,365
	Expenses						
	Cost of materials consumed	922	1,666	1,328	3,949	3,290	4,753
	Purchases of stock-in-trade	111	68	37	268	143	198
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	74	75	(188)	469	(188)	346
	Employee benefits expense	1,039	1,068	919	3,299	3,284	4,257
	Finance costs	38	30	30	100	74	86
	Depreciation and amortisation expense	404	400	381	1,203	1,133	1,509
	Other expenses	1,724	2,005	1,359	6,213	3,999	5,509
	Total expenses	4,312	5,312	3,866	15,501	11,735	16,658
5	Profit before tax for the period/ year (3-4)	2,236	4,240	450	11,228	4,643	7,707
	Tax expense						
	(i) Current tax	421	753	80	2,012	832	1,331
	(ii) Deferred tax	(105)	(115)	(3)	(359)	(19)	5
	Total tax expense	316	638	77	1,653	813	1,336
7	Profit for the period/ year (5-6)	1,920	3,602	373	9,575	3,830	6,371
	Other comprehensive income/ (loss) (net of tax)						
	Items that will not be reclassified to profit or loss:						
	Remeasurement of defined benefit plans	-	-	-	-	-	26
	Net gains/ (loss) from investments in equity instruments designated at Fair value through other comprehensive income (FVOCI)	28	25	(40)	104	(166)	(236)
	Income tax relating to items that will not be reclassified to profit or loss	(3)	(3)	4	(10)	19	16
	Other comprehensive income/ (loss) for the period/ year, net of tax	25	22	(36)	94	(147)	(194)
9	Total comprehensive income for the period/ year (7+8)	1,945	3,624	337	9,669	3,683	6,177
10	Paid-up equity share capital (refer note 5) (Face value of ₹2 each)	358	358	365	358	365	365
11	Other equity						46,655
	Earnings per share (not annualised for the quarters) (Face value of ₹2 each)						
	Basic (in ₹)	10.72	20.11	2.04	53.31	20.98	34.90
	Diluted (in ₹)	10.72	20.11	2.04	53.31	20.98	34.90

See accompanying notes to the unaudited standalone financial results.

 Contd...



NATCO Pharma Limited

Notes to the unaudited 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 (as amended).
- 2) The unaudited standalone financial results for the quarter and nine months ended 31 December 2023 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Company at their meetings held on 14 February 2024.
- 3) The unaudited standalone financial results of the Company for the quarter and nine months ended 31 December 2023, 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 unaudited consolidated financial results.
- 5) The Board of Directors at its meeting held on 08 March 2023 had approved the buy-back of fully paid up equity shares of face value of ₹ 2 each from the eligible equity shareholders of the Company other than the Promoters, the Promoter group and Persons who are in control of the Company, at a price not exceeding ₹ 700 per equity share (Maximum Buyback Price), payable in cash for an aggregate amount not exceeding ₹ 2,100 million (Maximum Buy-back Size, excluding transaction costs and taxes thereon), from the Open Market route through the stock exchange mechanism under the Companies Act, 2013 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018, as amended ('Buyback Regulations').
The Buy-back commenced on 21 March 2023 and was concluded on 12 May 2023. In this regard, the Company bought back 3,447,295 equity shares, at an average price of ₹ 609.1712 per equity share resulting in total cash consideration of ₹ 2,100 million (excluding ₹ 508 million towards transaction cost and tax on Buy-back). These equity shares were extinguished as per the records of the depositories. In line with the requirement of Companies Act, 2013, an amount of ₹ 2,100 million has been utilised from securities premium account for the buyback. Balance expense towards transaction cost and the tax on buy-back amounting to ₹ 508 million has been debited directly to the retained earnings. Further, capital redemption reserve of ₹ 6.89 million representing the nominal value of shares bought back, has been created in accordance with Section 69 of the Companies Act, 2013.
- 6) During the period ended 31 December 2023, the Company has incorporated a wholly owned subsidiary NATCO Pharma UK Limited in United Kingdom on 04 September 2023 and a subsidiary PT.NATCO Lotus Farma in Indonesia on 28 August 2023.
- 7) The Board of Directors at their meeting held on 14 February 2024 have approved an interim dividend of ₹ 1.25/- per equity share of ₹2 each for the quarter ended 31 December 2023. An interim dividend of ₹ 7/- per equity share of ₹2 each for the quarter ended 30 June 2023 and interim dividend of ₹ 1.25/- per equity share of ₹2 each for the quarter ended 30 September 2023 was approved by Board of Directors at their meetings held on 09 August 2023 and 14 November 2023 respectively.

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

V C Nannapaneni
Managing Director
(DIN: 00183315)

Place: Hyderabad
Date: 14 February 2024



Natco Pharma Limited

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Hyderabad, 14th February, 2024

Press Release

NATCO records INR 795.6 Crore consolidated revenue and INR 212.7 Crore of profit, after tax, for the Third Quarter, FY2024

Hyderabad based NATCO Pharma Limited (NSE: NATCOPHARM; BSE: 524816) has recorded consolidated total revenue of INR 795.6 Crore, for the Third quarter ended on 31st December, 2023, as against INR 513.3 Crore for the same period last year, reflecting a growth of 55%. The net profit for the period, on a consolidated basis, was INR 212.7 Crore as against INR 62.3 Crore during the same period last year.

The company has shown strong growth across businesses compared to last year and is confident of its strategy going forward. For 9 months ending December 31st, 2023, the company recorded total revenue of INR 3016.6 Crore as against INR 1884.8 Crore for same period last year. Similarly, the net profit for 9 months, the company recorded INR 1002.0 Crore as against INR 439.5 Crore in the same period last year.

Segmental Revenue Split (All Figures in INR Crore)-

Segment	Revenue, Q3 FY24	Revenue, Q2 FY24	Revenue, Q3 FY23
API	46.3	77.8	42.6
Formulations, Domestic	99.4	102.5	101.1
Formulations, Exports (incl. Profit Share & Foreign Subs)	605.6	792.3	333.7
Other Operating income & non-operating income	30.2	32.4	26.0
Crop Health Sciences (CHS)	14.1	55.8	9.9
TOTAL	795.6	1060.8	513.3

The Board of Directors has declared Third interim dividend of INR 1.25 per equity share, for FY 2023-24.

For Natco Pharma Limited

Ch. Venkat Ramesh
Company Secretary &
Compliance Officer