



# 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

12<sup>th</sup> August, 2020

Corporate Relationship Dept.  
M/s. BSE Limited  
Dalal Street, Fort  
**Mumbai 400 001.**

Manager – Listing  
M/s. National Stock Exchange of India Ltd  
“Exchange Plaza”, Bandra–Kurla Complex  
**Bandra (E) Mumbai 400 051.**

Scrip Code: **524816**

Scrip Code: **NATCOPHARM**

Dear Sir,

**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 ended 30<sup>th</sup> June, 2020 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 (“Listing Regulations”) along with Limited Review Report of the Statutory Auditors. Please find enclosed a copy of the same along with Press Release.
2. Declaration of interim dividend of Rs.1.25 ps. per equity share of Rs.2/- each for the financial year 2020-21. The date for taking a record of its shareholders eligible for the purpose of payment of interim dividend **i.e. Record date is fixed for 24<sup>th</sup> August, 2020.** The said interim dividend pay-by-date is **on or before 31<sup>st</sup> August, 2020.**
3. A copy of the Press Release is also enclosed

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

Meeting commenced at 11.00 a.m. and concluded at 2.05 p.m.

This is for your information and records.

Thanking you,

Yours faithfully,

For NATCO Pharma Limited

M. Adinarayana  
Company Secretary &  
Vice President (Legal & Corp. Affairs)

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 UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2020

(₹ in millions except share data)

S.No.	Particulars	Quarter ended			Year ended
		30 June 2020	31 March 2020	30 June 2019	31 March 2020
		Unaudited	Audited (refer note 4)	Unaudited	Audited
	<b>Income</b>				
1	Revenue from operations	5,322	4,201	4,647	17,902
2	Other income	199	386	204	1,238
3	<b>Total income (1+2)</b>	<b>5,521</b>	<b>4,587</b>	<b>4,851</b>	<b>19,140</b>
	<b>Expenses</b>				
	Cost of materials consumed	1,214	1,078	668	3,290
	Purchases of stock-in-trade	433	601	4	1,239
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	97	(542)	42	(559)
	Employee benefits expense	900	768	880	3,561
	Finance costs	33	35	62	206
	Depreciation and amortisation expense	276	298	216	981
	Other expenses	952	1,110	1,096	4,591
	<b>Total expenses</b>	<b>3,905</b>	<b>3,348</b>	<b>2,968</b>	<b>13,309</b>
5	<b>Profit before exceptional items and tax (3-4)</b>	<b>1,616</b>	<b>1,239</b>	<b>1,883</b>	<b>5,831</b>
6	Exceptional items	-	-	-	-
7	<b>Profit before tax (5-6)</b>	<b>1,616</b>	<b>1,239</b>	<b>1,883</b>	<b>5,831</b>
	<b>Tax expense</b>				
	(i) Current tax	414	216	406	1,251
	(ii) Income-tax for earlier years	-	40	-	40
	(ii) Deferred tax charge /(credit)	(65)	(27)	-	(205)
	<b>Total tax expense</b>	<b>349</b>	<b>229</b>	<b>406</b>	<b>1,086</b>
9	<b>Profit for the period/ year (7-8)</b>	<b>1,267</b>	<b>1,010</b>	<b>1,477</b>	<b>4,745</b>
	<b>Other comprehensive income (net of tax)</b>				
	<b>Items that will not be reclassified to profit or loss:</b>				
	Remeasurement of defined benefit plans	(20)	(10)	(49)	(79)
	Net gains / (losses) from investments in equity instruments designated at FVTOCI	28	(8)	(12)	(19)
	Income-tax relating to items that will not be reclassified to profit or loss	(3)	20	13	34
	<b>Total other comprehensive income (net of tax)</b>	<b>5</b>	<b>2</b>	<b>(48)</b>	<b>(64)</b>
11	<b>Total comprehensive income for the period/ year (9+10)</b>	<b>1,272</b>	<b>1,012</b>	<b>1,429</b>	<b>4,681</b>
12	<b>Paid-up equity share capital (face value of ₹2 each)</b>	<b>364</b>	<b>364</b>	<b>364</b>	<b>364</b>
13	<b>Other equity</b>				<b>38,331</b>
	<b>Earnings per share (face value ₹2 each)</b>				
	Basic (in ₹)	6.96	5.55	8.11	26.08
	Diluted (in ₹)	6.94	5.54	8.09	26.01
		(Non-annualised)	(Non-annualised)	(Non-annualised)	

See accompanying notes to the financial results.



**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.
- 2) The unaudited standalone financial results for the quarter ended 30 June 2020 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 12 August 2020.
- 3) The results of the Company for the quarter ended 30 June 2020, have been reviewed by the Statutory auditors and they have issued an unqualified 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 figures for the quarter ended 31 March 2020 as reported in these unaudited standalone financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures upto the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
- 5) 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.
- 6) The Company has considered internal and external 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.
- 7) The Board of Directors at their meeting held on 12 August 2020 have recommended an interim dividend of ₹ 1.25 per equity share of ₹2 each for the quarter ended 30 June 2020.
- 8) Figures for the previous periods/ year have been regrouped, wherever necessary, to correspond with the figures of the current period.

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

VENKAIHAH  
CHOWDARY  
NANNAPANE  
NI

Digitally signed by VENKAIHAH CHOWDARY  
DN: cn=VENKAIHAH CHOWDARY, o=NATCO PHARMA LIMITED, ou=, email=VENKAIHAH.CHOWDARY@NATCOPHARMA.COM, c=IN

**V C Nannapaneni**  
*Chairman and Managing Director*  
(DIN: 00183315)

Place: Hyderabad  
Date: 12 August 2020

# B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City  
Orwell, B Wing, 6th Floor, Unit - 3  
Sy No. 83/1, Plot No. 2, Raidurg  
Hyderabad - 500 081, India.

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## Limited review report on unaudited quarterly standalone financial results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations')

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 ('the Company') for the quarter ended 30 June 2020 ('the Statement').
2. This Statement, which is the responsibility of the Company's Management and approved by the 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 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
5. 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 applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

B S R & Associates LLP

**Limited review report on unaudited quarterly standalone financial results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (continued)**

6. Attention is drawn to the fact that the corresponding figures for the quarter ended 30 June 2019, are based on the previously issued unaudited standalone financial results of the Company that were reviewed by the predecessor auditor, who expressed an unmodified conclusion on such unaudited standalone financial results on 09 August 2019. Our conclusion on the Statement is not modified in respect of this matter.

*for B S R & Associates LLP*

*Chartered Accountants*

ICAI Firm Registration No.: 116231W/ W-100024

**VIKASH  
SOMANI**

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VIKASH SOMANI  
Date: 2020.08.12  
13:44:01 +05'30'

**Vikash Somani**

*Partner*

Membership No.: 061272

UDIN: 20061272AAAABW3483

Place: Hyderabad

Date: 12 August 2020



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 ENDED 30 JUNE 2020

(₹ in millions except per share data)

S.No.	Particulars	Quarter ended			Year ended
		30 June 2020	31 March 2020	30 June 2019	31 March 2020
		Unaudited	Audited (refer note 4)	Unaudited	Audited
	<b>Income</b>				
1	Revenue from operations	5,634	4,548	4,923	19,150
2	Other income	187	224	210	1,074
3	<b>Total income (1+2)</b>	<b>5,821</b>	<b>4,772</b>	<b>5,133</b>	<b>20,224</b>
	<b>Expenses</b>				
	Cost of materials consumed	1,214	1,078	668	3,290
	Purchases of stock-in-trade	432	539	80	1,278
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	143	(668)	12	(752)
	Employee benefits expense	952	816	932	3,750
	Finance costs	37	35	65	215
	Depreciation and amortisation expense	280	305	220	998
	Other expenses	1,182	1,500	1,318	5,758
	<b>Total expenses</b>	<b>4,240</b>	<b>3,605</b>	<b>3,295</b>	<b>14,537</b>
5	<b>Profit before exceptional items and tax (3-4)</b>	<b>1,581</b>	<b>1,167</b>	<b>1,838</b>	<b>5,687</b>
6	Exceptional items	-	-	-	-
7	<b>Profit before tax (5-6)</b>	<b>1,581</b>	<b>1,167</b>	<b>1,838</b>	<b>5,687</b>
8	<b>Tax expense</b>				
	(i) Current tax	425	222	410	1,271
	(ii) Income-tax for earlier years	-	40	-	40
	(iii) Deferred tax charge /(credit)	(65)	(27)	-	(205)
	<b>Total tax expense</b>	<b>360</b>	<b>235</b>	<b>410</b>	<b>1,106</b>
9	<b>Profit for the period/year (7-8)</b>	<b>1,221</b>	<b>932</b>	<b>1,428</b>	<b>4,581</b>
10	<b>Other comprehensive income (net of tax)</b>				
	<b>A. Items that will not be reclassified subsequently to profit or loss:</b>				
	Remeasurement of defined benefit plans	(20)	(10)	(49)	(79)
	Net gains / (losses) from investments in equity instruments designated at Fair value through other comprehensive income (FVTOCI)	19	(15)	(7)	(20)
	Income-tax relating to items that will not be reclassified to profit or loss	(1)	20	11	34
		<b>(2)</b>	<b>(5)</b>	<b>(45)</b>	<b>(65)</b>
	<b>B. Items that will be reclassified subsequently to profit or loss:</b>				
	Exchange differences on translation of foreign operations	23	(172)	62	(80)
		<b>23</b>	<b>(172)</b>	<b>62</b>	<b>(80)</b>
	<b>Total other comprehensive income (net of tax) (A+B)</b>	<b>21</b>	<b>(177)</b>	<b>17</b>	<b>(145)</b>
11	<b>Total comprehensive income for the period/ year (9+10)</b>	<b>1,242</b>	<b>755</b>	<b>1,445</b>	<b>4,436</b>
12	<b>Profit for the period/year attributable to:</b>				
	Owners of the Company	1,228	941	1,432	4,608
	Non-controlling interests	(7)	(9)	(4)	(27)
13	<b>Other comprehensive income attributable to:</b>				
	Owners of the Company	21	(177)	17	(145)
	Non-controlling interests	-	-	-	-
14	<b>Total comprehensive income attributable to:</b>				
	Owners of the Company	1,249	764	1,449	4,463
	Non-controlling interests	(7)	(9)	(4)	(27)
15	<b>Paid-up equity share capital (face value of ₹2 each)</b>	<b>364</b>	<b>364</b>	<b>364</b>	<b>364</b>
16	<b>Other equity</b>				<b>37,371</b>
17	<b>Earnings per share (face value ₹2 each)</b>				
	Basic (in ₹)	6.74	5.17	7.87	25.33
	Diluted (in ₹)	6.73	5.16	7.85	25.26
		(Non-annualised)	(Non-annualised)	(Non-annualised)	

See accompanying notes to the financial results.



NATCO Pharma Limited

Segment reporting:

(₹ in millions except share data)

S.No.	Particulars	Quarter ended			Year ended
		30 June 2020	31 March 2020	30 June 2019	31 March 2020
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Segment revenue</b>				
	a. Pharmaceuticals	5,634	4,548	4,923	19,150
	b. Agro chemicals	-	-	-	-
		<b>5,634</b>	<b>4,548</b>	<b>4,923</b>	<b>19,150</b>
	Add: Unallocated	-	-	-	-
	<b>Total revenue from operations</b>	<b>5,634</b>	<b>4,548</b>	<b>4,923</b>	<b>19,150</b>
<b>2</b>	<b>Segment results</b>				
	a. Pharmaceuticals	1,618	1,202	1,903	5,902
	b. Agro chemicals	-	-	-	-
	<b>Total segment result</b>	<b>1,618</b>	<b>1,202</b>	<b>1,903</b>	<b>5,902</b>
	Less:				
	a. Finance cost	(37)	(35)	(65)	(215)
	b. Net unallocated (income)/expenditure	-	-	-	-
	<b>Total profit before tax</b>	<b>1,581</b>	<b>1,167</b>	<b>1,838</b>	<b>5,687</b>
<b>3</b>	<b>Segment assets</b>				
	a. Pharmaceuticals	44,871	43,404	41,454	43,404
	b. Agro chemicals	1,610	1,351	439	1,351
	<b>Total segment assets</b>	<b>46,481</b>	<b>44,755</b>	<b>41,893</b>	<b>44,755</b>
	Add:				
	a. Unallocated	1,305	1,123	1,480	1,123
	<b>Total assets</b>	<b>47,786</b>	<b>45,878</b>	<b>43,373</b>	<b>45,878</b>
<b>4</b>	<b>Segment liabilities</b>				
	a. Pharmaceuticals	4,653	4,467	3,908	4,467
	b. Agro chemicals	83	61	4	61
	<b>Total segment liabilities</b>	<b>4,736</b>	<b>4,528</b>	<b>3,912</b>	<b>4,528</b>
	Add:				
	a. Unallocated	3,885	3,503	3,085	3,503
	<b>Total liabilities</b>	<b>8,621</b>	<b>8,031</b>	<b>6,997</b>	<b>8,031</b>

Until the previous year, the operating segment of the Group was identified to be "Pharmaceuticals", as the Chief Operating Decision Maker ('CODM') reviewed the business performance accordingly. The Group has commenced the Agri Chemicals division and the management expects completion of substantial portion of construction activity in the current financial year followed by commencement of commercial operations in near future. The CODM has started reviewing the Agri Chemicals segment from the current quarter. Hence, the Group has disclosed Agri Chemicals as a separate reportable segment and has restated previously reported information to conform to current period presentation.



NATCO Pharma Limited

Notes to 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.
- 2) The unaudited consolidated financial results for the quarter ended 30 June 2020 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 12 August 2020.
- 3) The results of the Group for the quarter ended 30 June 2020, have been reviewed by the Statutory auditors and they have issued an unqualified 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 figures for the quarter ended 31 March 2020 as reported in these unaudited consolidated financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures upto the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
- 5) The consolidated financial results for the quarter ended 30 June 2020 include financial results of the following subsidiaries:

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

- 6) The Group has considered internal and external 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.
- 7) The unaudited standalone financial results, for the quarter ended 30 June 2020 can be viewed on the website of the Company, NSE and BSE at [www.natcopharma.co.in](http://www.natcopharma.co.in), [www.nseindia.com](http://www.nseindia.com), and [www.bseindia.com](http://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		Year ended	
	30 June 2020	31 March 2020	30 June 2019	31 March 2020
	Unaudited	Audited	Unaudited	Audited
Total revenue from operations	5,322	4,201	4,647	17,902
Profit before tax	1,616	1,239	1,883	5,831
Net profit for the period/ year	1,267	1,010	1,477	4,745
Total comprehensive income	1,272	1,012	1,429	4,681

- 8) The Board of Directors in their meeting held on 12 August 2020 have recommended an interim dividend of ₹ 1.25 per equity share of ₹ 2 each for the quarter ended 30 June 2020.
- 9) Figures for the previous periods/ year have been regrouped, wherever necessary, to correspond with the figures of the current period.

By order of the Board  
For NATCO Pharma Limited

VENKAIAH  
CHOWDARY  
NANNAPANENI

V C Nannapaneni  
Chairman and Managing Director  
(DIN: 00183315)

Place: Hyderabad  
Date: 12 August 2020



# B S R & Associates LLP

Chartered Accountants

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## Limited review report on unaudited quarterly consolidated financial results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations')

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 ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter ended 30 June 2020 ("the Statement"), being submitted by the Parent pursuant to the requirements of Regulation 33 of the Listing regulations, as amended.
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 SEBI under Regulation 33(8) of the Listing Regulations, to the extent applicable.

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

<b>Name of the entity</b>	<b>Relationship</b>
NATCO Pharma Limited	Parent
NATCO Pharma, Inc.	Subsidiary
Time Cap Overseas Limited	Subsidiary
NATCO Farma Do Brasil Ltda. (subsidiary of Time Cap Overseas Limited)	Step-down subsidiary
NATCO Pharma (Canada) Inc.	Subsidiary
NATCO Pharma Asia Pte. Ltd.	Subsidiary
NATCO Pharma Australia PTY Ltd.	Subsidiary
NATCO Lifesciences Philippines Inc.	Subsidiary

B S R & Associates LLP

**Limited review report on unaudited quarterly consolidated financial results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations') (continued)**

5. Attention is drawn to the fact that the figures for the 3 months ended 31 March 2020 as reported in these financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.
6. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of other auditors referred to in paragraph 7 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.
7. We did not review the interim financial information of seven subsidiaries included in the Statement, whose interim financial information reflect total revenues (before consolidation adjustments) of ₹ 647 million, total net loss after tax (before consolidation adjustments) of ₹ 53 million and total comprehensive loss (before consolidation adjustments) of ₹ 59 million, for the quarter ended 30 June 2020, as considered in the consolidated unaudited financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the 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 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 on the Statement is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

8. Attention is drawn to the fact that the corresponding figures for the quarter ended 30 June 2019, are based on the previously issued unaudited consolidated financial results of the Group that were reviewed by the predecessor auditor, who expressed an unmodified conclusion on such unaudited consolidated financial results on 09 August 2019. Our conclusion on the Statement is not modified in respect of this matter.

for B S R & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 116231W/ W-100024

**VIKASH  
SOMANI**

Digitally signed by  
VIKASH SOMANI  
Date: 2020.08.12  
13:45:16 +05'30'

**Vikash Somani**

Partner

Membership Number: 061272

UDIN: 20061272AAAABX8372

Place: Hyderabad

Date: 12 August 2020



# Natco Pharma Limited

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PR/8/2020-2021

Press Release

Hyderabad, 12<sup>th</sup> August, 2020

**NATCO records INR 582.1 Crore consolidated revenue and INR 122.1 Crore of profit, after tax, for the First Quarter, FY2020-21**

Hyderabad based NATCO Pharma Limited (NSE: NATCOPHARM; BSE: 524816) has recorded consolidated total revenue of INR 582.1 Crore for the first quarter ended on 30<sup>th</sup> June, 2020, as against INR 513.3 Crore for the same period last year, reflecting an increase of 13.4%. The net profit for the period, on a consolidated basis, was INR 122.1 Crores as against INR 142.8 Crore same period last year, showing a decline of about 14.5%.

Increase in revenue was driven primarily by exports formulations business. During the quarter, the company faced margins pressure on both domestic and international formulations. In spite of lower margins during the first quarter, the company is confident of its business for remaining part of the financial year based on the order book and earnings outlook. The company expects a growth of over 25% in its earnings for FY2020-21 compared to prior year.

Segmental Revenue Split (approx.), as below (All Figures in INR Crore)-

Segment	Revenue, Q1 FY21
API	143.92
Formulations, Domestic	125.62
Formulations, Exports (incl. Profit Share & Foreign Subs)	274.23
Other Operating income	18.35
Other Income	19.95

The Board of Directors has recommended an interim dividend of INR 1.25 per equity share of INR 2.0 each, during the First Quarter of FY2020-21.

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Forwarded for favour of publication

For NATCO Pharma Limited

M Adinarayana  
Company Secretary &  
Vice President (Legal & Corp Affairs)