



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

8th August, 2018

Corporate Relationship Department
The BSE Ltd.
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 inter-alia approved the following businesses:

1. Unaudited Financial Results (Standalone and Consolidated) for the quarter ended 30th June, 2018 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 along with Limited Review Report of the Statutory Auditors. Please find enclosed a copy of the same along with press release for your information and records.
2. Declaration of an interim dividend of Rs.1.50 ps. per equity share of Rs.2/- each (75%) for the financial year 2018-19. 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 21st August, 2018.** The said interim dividend **pay-by-date is on or before 27th August, 2018.**
3. Board had authorised Mr.V.C.Nannapaneni, Chairman and Managing Director for finalizing the date, time, venue and Book Closure dates for 35th Annual General Meeting for the financial year 2017-18.

Thanking you,

Yours faithfully,

For NATCO Pharma Limited

M. Adinarayana

Company Secretary &

V.P.(Legal & Corp. Affairs)

Encl: as above



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Ref: PR/ 5 /2018-2019

Press Release

Hyderabad, August 8, 2018

**NATCO records INR 574.5 Crores consolidated revenue and INR 181.1 Crore of profit,
after tax, for the First Quarter, FY2018-19**

Hyderabad based NATCO Pharma Limited (NSE: NATCOPHARM; BSE: 524816) has recorded consolidated total revenue of INR 574.5 Crore for the first quarter ended on 30th June, 2018, as against INR 448.7 Crore for the same period last year, reflecting a growth of 28%. The net profit for the period, on a consolidated basis, was INR 181.1 Crores as against INR 93.7 Crore same period last year, showing a growth of 93 %.

The Board of Directors approved an Interim Dividend of Rs.1.50 (75%) per equity share of Rs.2/- each.

Forwarded for favour of publication

For NATCO Pharma Limited

A handwritten signature in black ink, appearing to read "M Adinarayana".

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



NATCO Pharma Limited

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

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2018

(₹ in millions except per share data)

	Quarter ended			Year ended
	30 Jun 2018 (Unaudited)	31 March 2018 (Refer note 5)	30 Jun 2017 (Unaudited)	31 Mar 2018 (Audited)
Revenue				
Revenue from operations (Refer note 4)	5,386	7,678	4,453	22,020
Other income	359	201	34	404
Total revenues	5,745	7,879	4,487	22,424
Expenses				
Cost of materials consumed	888	1,075	1,286	3,905
Excise duty (Refer note 4)	-	-	172	172
Purchases of stock-in-trade	111	35	256	459
Changes in inventories of finished goods, Stock-in - Trade and work-in-progress	(126)	120	(448)	(253)
Employee benefits expense	887	1,101	631	3,256
Finance costs	28	30	39	154
Depreciation and amortisation expense	184	180	150	662
Other expenses	1,450	1,514	1,189	5,197
Total expenses	3,422	4,055	3,275	13,552
Profit before tax	2,323	3,824	1,212	8,872
Tax expense / (credit)				
Current tax	648	1,108	266	2,199
Deferred tax	(136)	(281)	9	(279)
Profit after tax	1,811	2,997	937	6,952
Other comprehensive income (net of taxes)				
Items that will not be reclassified to profit or loss				
Re-measurement gains/(losses) on defined benefit plans	(11)	(35)	(8)	(42)
Net (loss)/gain on FVTOCI equity securities	2	(2)	7	(2)
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	22	(42)	38	(8)
Total comprehensive income	1,824	2,918	974	6,900
Profit attributable to:				
Owners of the parent	1,816	2,999	940	6,962
Non-controlling interests	(5)	(2)	(3)	(10)
Total comprehensive income attributable to:				
Owners of the parent	1,829	2,920	977	6,910
Non-controlling interests	(5)	(2)	(3)	(10)
Paid-up equity share capital of ₹2 each	369	369	349	369
Other equity (Revaluation reserve ₹Nil)				30,353
Earnings per share (non-annualised) (face value of ₹2 each)				
Basic (in ₹)	9.84	16.26	5.59	39.26
Diluted (in ₹)	9.82	16.21	5.58	39.13





NATCO Pharma Limited

Notes to the consolidated results:

1. The consolidated financial results 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 other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India.
2. The consolidated financial results for the quarter ended 30 June 2018 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 8 August 2018.
3. The Group operates in one reportable segment which is "Pharmaceuticals".
4. Excise duty on sales was included under Revenue from operations and disclosed separately under expenses upto all reporting periods ending 30 June 2017. Post implementation of Goods and Services Tax (GST) from beginning of the quarter ended 30 September 2017, revenue from operations is reported net of GST and hence to that extent is not comparable.
5. The figures of the quarter ended 31 March 2018 are the balancing figures between audited figures in respect of full financial year ended 31 March 2018 and the unaudited published year to date figures upto 31 December 2017 which were subjected to limited review.
6. On the basis of future business plans and the impact thereof on the future taxable income, the management, at present, believes that the Company would continue to pay tax under the Minimum Alternate Tax (MAT) provisions of the Income Tax Act, 1961 from financial year 2019-20. Accordingly, MAT credit, disclosed as a part of deferred tax, is recognized only to the extent of expected utilization.
7. The Board of directors at their meeting held on 8 August 2018 have approved an interim dividend of ₹1.50 per equity share of ₹2 each.

Hyderabad
8 August 2018



By Order of the Board




V.C. Nannapaneni
Chairman and Managing Director

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
7th Floor, Block III, White House
Kundan Bagh, Begumpet
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Independent Auditor's Review Report on Consolidated Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of NATCO Pharma Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('Statement') of NATCO Pharma Limited ('the Company') and its subsidiaries (the Company and its subsidiaries together referred to as 'the Group'), (Refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 June 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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.
3. Based on our review conducted as above and upon consideration of the review reports of the other auditors, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements 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.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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Walker Chandiook & Co LLP

4. We did not review the financial results of seven subsidiaries included in the Statement whose financial results reflect total revenues of ₹235 million for the quarter ended 30 June 2018 and net loss (including other comprehensive income) of ₹60 million for the quarter ended 30 June 2018. These financial results have been reviewed by other auditors whose review reports have been furnished to us by the management and our report in respect thereof is based solely on the review reports of such other auditors.

Further, all of these subsidiaries are located outside India whose financial results 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 Company's management has converted the financial results 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 Company's management. Our report in so far as it relates to the financial results of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and reviewed by us.

Our review report is not modified in respect of these matters.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Adi P. Sethna

Partner

Membership No. 108840



Place: Hyderabad

Date: 8 August 2018

Annexure 1

List of subsidiaries included in the Statement

- (a) NATCO Pharma, Inc.
- (b) Time Cap Overseas Limited
- (c) NATCO Farma Do Brasil LTDA (subsidiary of Time Cap Overseas Limited)
- (d) NATCO Pharma (Canada) Inc.
- (e) NATCO Pharma Asia Pte. Ltd.
- (f) NATCO Pharma Australia PTY Ltd.
- (g) NATCO Lifesciences Philippines Inc.





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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2018

(₹ in millions except per share data)

	Quarter ended			Year ended
	30 June 2018 (Unaudited)	31 March 2018 (Refer note 3)	30 June 2017 (Unaudited)	31 Mar 2018 (Audited)
Revenue				
Revenue from operations (Refer note 4)	5,157	7,290	4,308	21,085
Other income	357	206	27	394
Total revenues	5,514	7,496	4,335	21,479
Expenses				
Cost of materials consumed	888	1,075	1,286	3,905
Excise duty (Refer note 4)	-	-	172	172
Purchases of stock-in-trade	3	21	187	227
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(90)	92	(447)	(247)
Employee benefits expenses	852	1,060	603	3,122
Finance costs	27	27	38	147
Depreciation and amortisation expense	183	178	148	655
Other expenses	1,253	1,279	1,101	4,622
Total expenses	3,116	3,732	3,088	12,603
Profit before tax	2,398	3,764	1,247	8,876
Tax expense / (credit)				
Current tax	648	1,082	266	2,173
Deferred tax	(136)	(279)	7	(279)
Profit after tax	1,886	2,961	974	6,982
Other comprehensive income (net of taxes)				
Items that will not be reclassified to profit or loss				
Re-measurement gains/(losses) on defined benefit plans	(11)	(35)	(8)	(42)
Net gain/(loss) on FVTOCI equity securities	1	(5)	6	(5)
Total comprehensive income	1,876	2,921	972	6,935
Paid-up equity share capital of ₹2 each	369	369	349	369
Other equity (Revaluation reserve ₹Nil)				30,885
Earnings per share (non-annualised) (face value ₹2 each)				
Basic (in ₹)	10.22	16.05	5.58	39.38
Diluted (in ₹)	10.19	16.01	5.56	39.24





NATCO Pharma Limited

Notes to the standalone results:

1. The standalone financial results 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 other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India.
2. The standalone financial results for the quarter ended 30 June 2018 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 8 August 2018.
3. The figures of the quarter ended 31 March 2018 are the balancing figures between audited figures in respect of full financial year ended 31 March 2018 and the unaudited published year to date figures upto 31 December 2017 which were subjected to limited review.
4. Excise duty on sales was included under Revenue from operations and disclosed separately under expenses upto all reporting periods ending 30 June 2017. Post implementation of Goods and Services Tax (GST) from beginning of the quarter ended 30 September 2017, revenue from operations is reported net of GST and hence to that extent is not comparable.
5. The Company operates in one reportable segment which is "Pharmaceuticals".
6. On the basis of future business plans and the impact thereof on the future taxable income, the management, at present, believes that the Company would continue to pay tax under the Minimum Alternate Tax (MAT) provisions of the Income Tax Act, 1961 from financial year 2019-20. Accordingly, MAT credit, disclosed as a part of deferred tax, is recognized only to the extent of expected utilization.
7. The Board of directors at their meeting held on 8 August 2018 have approved an interim dividend of ₹1.50 per equity share of ₹2 each.

Hyderabad
8 August 2018



By Order of the Board

V.C. Nannapaneni
Chairman and Managing Director

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Independent Auditor's Review Report on Standalone Quarterly Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of NATCO Pharma Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ('Statement') of NATCO Pharma Limited ('the Company') for the quarter ended 30 June 2018, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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.



Chartered Accountants

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Walker Chandiook & Co LLP

3. 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 Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, and other recognised accounting practices and policies has not disclosed the information required to be disclosed in accordance with the requirements 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.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Adi P. Sethna

Partner

Membership No. 108840



Place: Hyderabad

Date: 8 August 2018