



# 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

14<sup>th</sup> February 2022

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

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,

## Sub:- Outcome of Board Meeting

Further to our intimation letter dated 5<sup>th</sup> February, 2022, we would like to inform you that the Board of Directors of the Company at their meeting held on today have approved the following along with other items of business:

1. Please find enclosed unaudited Financial Results (Standalone and Consolidated) for the quarter and nine months ended 31<sup>st</sup> December, 2021 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 3<sup>rd</sup> interim dividend of Rs.2/- (Rupees one only) each per Equity share of Rs.2/- (Rupees two only) each for the financial year 2021-22 (which is 100% on the nominal value of the equity share). 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 **Friday, the 25<sup>th</sup> February 2022**. The payment of said interim dividend will start from 4<sup>th</sup> March 2022.
3. Sri G S Murthy, Independent Director of the Company has been appointed as Chairman of the Company with effect from 1<sup>st</sup> April 2022.
4. Appointed / Re-appointed the following working Directors of the Company for a period of two year from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2024 subject to the approval of the members of the Company by way of Postal Ballot. Brief profile of the below mentioned Directors is enclosed as annexure :

Name of the Director	DIN Number	Designation
Sri V C Nannapaneni	00183315	Managing Director
Sri Rajeev Nannapaneni	00183872	Director & CEO
Sri P S R K Prasad	07011140	Director & Executive Vice President Corp Engineering Services
Dr. D Linga Rao	07088404	Director & President (Technical Affairs)

5. Approved the Postal Ballot notice for seeking consent of the Shareholders for appointment/re-appointment of Sri V.C. Nannapaneni, Managing Director, Sri Rajeev Nannapaneni, Chief Executive Officer, Sri P.S.R.K. Prasad, Director and Executive Vice President (Corporate Engineering Services) and Dr. D. Linga Rao, Director and President (Tech. affairs) for a period of two (2) years i.e., from 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2024.

*M. Linga Rao*





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6. Sri Sridhar Sankararaman, Non-Executive Non Independent Director of the Company has resigned from the Directorship of the company with effect from 15<sup>th</sup> February, 2022 due to his professional obligations and other pre occupations.
7. The Board of Directors had reconstituted the following Committees of the Directors of the company with effect from 15<sup>th</sup> February 2022:

#### Audit Committee

Sl. No.	Name of the Director
1	Sri G.S. Murthy, Independent Director
2	Sri T. V. Rao, Independent Director
3	Sri D. G. Prasad, Independent Director
4	Dr. M.U.R. Naidu, Independent Director

#### Nomination and Remuneration Committee

Sl. No.	Name of the Director
1	Sri G.S. Murthy, Independent Director
2	Dr. M.U.R. Naidu, Independent Director
3	Sri T. V. Rao, Independent Director

We hereby confirm that all the above-mentioned Appointed / Re-appointed Directors 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.

Please find attached herewith the Press Release in this regard.

We are also updating the financial results of the company on our website.

This is for your information and records.

Meeting commenced at 11.30 a.m. and concluded at 4.30 p.m.

Thanking you

Yours faithfully  
For NATCO Pharma Limited

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

Encl: as above



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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 AND NINE MONTHS ENDED 31 DECEMBER 2021

(₹ in millions except per share data)

S.No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	<b>Income</b>						
1	Revenue from operations (refer note 5)	5,605	3,772	3,552	13,480	17,208	20,521
2	Other income	302	380	308	852	752	1,036
3	<b>Total income (1+2)</b>	<b>5,907</b>	<b>4,152</b>	<b>3,860</b>	<b>14,332</b>	<b>17,960</b>	<b>21,557</b>
	<b>Expenses</b>						
4	Cost of materials consumed	1,006	1,156	756	3,261	2,836	3,729
	Purchases of stock-in-trade	56	127	322	260	1,836	1,866
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(132)	(358)	(247)	(875)	(103)	(481)
	Employee benefits expense	1,182	1,092	1,014	3,355	3,203	4,149
	Finance costs	50	40	34	110	98	133
	Depreciation and amortisation expense	360	347	298	1,045	865	1,169
	Other expenses	2,475	1,050	882	4,658	4,136	5,196
	<b>Total expenses</b>	<b>4,997</b>	<b>3,454</b>	<b>3,059</b>	<b>11,814</b>	<b>12,871</b>	<b>15,761</b>
5	<b>Profit before exceptional items and tax (3-4)</b>	<b>910</b>	<b>698</b>	<b>801</b>	<b>2,518</b>	<b>5,089</b>	<b>5,796</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit before tax (5-6)</b>	<b>910</b>	<b>698</b>	<b>801</b>	<b>2,518</b>	<b>5,089</b>	<b>5,796</b>
8	<b>Tax expense</b>						
	(i) Current tax	167	161	77	484	1,220	1,408
	(ii) Income-tax for earlier years	-	-	-	-	-	70
	(iii) Deferred tax (credit)/ charge (refer note 6)	(61)	(114)	90	(171)	(25)	(106)
	<b>Total tax expense</b>	<b>106</b>	<b>47</b>	<b>167</b>	<b>313</b>	<b>1,195</b>	<b>1,372</b>
9	<b>Profit for the period/year (7-8)</b>	<b>804</b>	<b>651</b>	<b>634</b>	<b>2,205</b>	<b>3,894</b>	<b>4,424</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	(2)	(2)	(20)	(6)	(59)	(8)
	Net gains / (losses) from investments in equity instruments designated at Fair value through other comprehensive income (FVTOCI)	335	(24)	26	411	136	143
	Income-tax relating to items that will not be reclassified to profit or loss	(29)	3	(1)	(36)	(13)	(10)
		<b>304</b>	<b>(23)</b>	<b>5</b>	<b>369</b>	<b>64</b>	<b>125</b>
	<b>B. Items that will be reclassified subsequently to profit or loss:</b>						
	Exchange differences on translation of foreign operations	(26)	(45)	36	(91)	(47)	(38)
		<b>(26)</b>	<b>(45)</b>	<b>36</b>	<b>(91)</b>	<b>(47)</b>	<b>(38)</b>
	<b>Total other comprehensive income (net of tax) (A+B)</b>	<b>278</b>	<b>(68)</b>	<b>41</b>	<b>278</b>	<b>17</b>	<b>87</b>
11	<b>Total comprehensive income for the period/ year (9+10)</b>	<b>1,082</b>	<b>583</b>	<b>675</b>	<b>2,483</b>	<b>3,911</b>	<b>4,511</b>
12	<b>Profit for the period/year attributable to:</b>						
	Owners of the Company	804	651	627	2,205	3,879	4,409
	Non-controlling interests	-	-	7	-	15	15
13	<b>Other comprehensive income attributable to:</b>						
	Owners of the Company	278	(68)	41	278	17	87
	Non-controlling interests	-	-	-	-	-	-
14	<b>Total comprehensive income attributable to:</b>						
	Owners of the Company	1,082	583	668	2,483	3,896	4,496
	Non-controlling interests	-	-	7	-	15	15
15	<b>Paid-up equity share capital (face value of ₹2 each)</b>	<b>365</b>	<b>365</b>	<b>364</b>	<b>365</b>	<b>364</b>	<b>365</b>
16	<b>Other equity</b>						<b>40,851</b>
17	<b>Earnings per share (face value ₹2 each)</b>						
	Basic (in ₹)	4.41	3.57	3.44	12.09	21.30	24.20
	Diluted (in ₹)	4.40	3.57	3.43	12.08	21.25	24.16
		(Non-annualised)	(Non-annualised)	(Non-annualised)	(Non-annualised)	(Non-annualised)	

See accompanying notes to the 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 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	<b>Segment revenue</b>						
	a. Pharmaceuticals	5,602	3,738	3,545	13,437	17,200	20,500
	b. Agro chemicals	3	34	7	43	8	21
		5,605	3,772	3,552	13,480	17,208	20,521
	Add: Unallocated	-	-	-	-	-	-
	<b>Total revenue from operations</b>	<b>5,605</b>	<b>3,772</b>	<b>3,552</b>	<b>13,480</b>	<b>17,208</b>	<b>20,521</b>
2	<b>Segment results</b>						
	a. Pharmaceuticals	1,060	811	833	2,820	5,189	5,941
	b. Agro chemicals	(100)	(73)	2	(192)	(2)	(12)
	<b>Total segment result</b>	<b>960</b>	<b>738</b>	<b>835</b>	<b>2,628</b>	<b>5,187</b>	<b>5,929</b>
	Less:						
	a. Finance cost	(50)	(40)	(34)	(110)	(98)	(133)
	b. Net unallocated (income)/expenditure	-	-	-	-	-	-
	<b>Total profit before tax</b>	<b>910</b>	<b>698</b>	<b>801</b>	<b>2,518</b>	<b>5,089</b>	<b>5,796</b>
3	<b>Segment assets</b>						
	a. Pharmaceuticals	44,808	43,392	43,513	44,808	43,513	42,452
	b. Agro chemicals	3,321	3,162	2,179	3,321	2,179	2,393
	<b>Total segment assets</b>	<b>48,129</b>	<b>46,554</b>	<b>45,692</b>	<b>48,129</b>	<b>45,692</b>	<b>44,845</b>
	Add:						
	a. Unallocated	3,187	3,963	2,639	3,187	2,639	3,074
	<b>Total assets</b>	<b>51,316</b>	<b>50,517</b>	<b>48,331</b>	<b>51,316</b>	<b>48,331</b>	<b>47,919</b>
4	<b>Segment liabilities</b>						
	a. Pharmaceuticals	4,171	4,005	3,799	4,171	3,799	3,499
	b. Agro chemicals	42	95	77	42	77	84
	<b>Total segment liabilities</b>	<b>4,213</b>	<b>4,100</b>	<b>3,876</b>	<b>4,213</b>	<b>3,876</b>	<b>3,583</b>
	Add:						
	a. Unallocated	3,821	4,130	3,639	3,821	3,639	3,102
	<b>Total liabilities</b>	<b>8,034</b>	<b>8,230</b>	<b>7,515</b>	<b>8,034</b>	<b>7,515</b>	<b>6,685</b>





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 and nine months ended 31 December 2021 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 14 February 2022.
- 3) The results of the Group for the quarter and nine months ended 31 December 2021, 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 consolidated financial results for the quarter and nine months ended 31 December 2021 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

- 5) Revenue from operations includes an income from settlement of claims received by NATCO Pharma (Canada) Inc., Canada a subsidiary of NATCO Pharma Limited under a settlement agreement entered by the subsidiary.
- 6) Based on the most recent forecasts as prepared by the Management, it is expected that the unrecognised MAT credit as at 31 March 2021 will be completely utilised over next five years. Accordingly, effective tax rate of the Group is expected to be comparatively lower in the current year.
- 7) During the nine months ended 31 December 2021, 27,340 equity shares of ₹ 2 each, fully-paid up, were allotted upon exercise of the vested stock options pursuant to the ESOP 2016 scheme resulting in an increase in the paid-up share capital of ₹ 0.05 million and securities premium account of ₹ 16.71 million.
- 8) Subsequent to 31 December 2021, NATCO Pharma Limited through its wholly owned subsidiary, NATCO Pharma Inc. USA, has acquired Dash Pharmaceuticals LLC ("Dash"), a New Jersey based entity for a consideration of USD 18 million. Pursuant to this, Dash has become a 100% wholly owned subsidiary of NATCO Pharma Inc. and a step-down subsidiary of NATCO Pharma Limited.
- 9) 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 Company will continue to closely monitor any material changes to future economic conditions.
- 10) The unaudited standalone financial results, for the quarter and nine months ended 31 December 2021 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 audited 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 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Total revenue from operations	5,295	3,304	3,309	12,537	13,420	16,535
Profit before tax	797	523	707	2,230	3,188	3,922
Net profit for the period/ year	716	536	547	2,004	2,523	3,095
Total comprehensive income	1,020	513	551	2,372	2,593	3,228

- 11) 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 Group 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.
- 12) The Board of Directors in their meeting held on 14 February 2022 have recommended an interim dividend of ₹ 2 per equity share of ₹ 2 each for the quarter and nine months ended 31 December 2021.

By order of the Board  
For NATCO Pharma Limited



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

Place: Hyderabad  
Date: 14 February 2022

# B S R & Associates LLP

Chartered Accountants

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

Telephone: +91 40 7182 2000  
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## Limited Review Report on unaudited consolidated financial results of NATCO Pharma Limited for the quarter ended 31 December 2021 and year-to-date results for the period from 01 April 2021 to 31 December 2021 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 ("the Parent"), and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended 31 December 2021 and year-to-date results for the period from 01 April 2021 to 31 December 2021 ("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.	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

## B S R & Associates LLP

NATCO Pharma Australia PTY Ltd.	Subsidiary
NATCO Lifesciences Philippines Inc.	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 seven subsidiaries included in the Statement, whose interim financial information reflect (before consolidation adjustments) total revenues of INR 489.78 million and INR 1,460.49 million, total net profit after tax of INR 88.35 million and INR 204.83 million and total comprehensive income of INR 88.34 million and INR 205.68 million, for the quarter ended 31 December 2021 and for the period from 01 April 2021 to 31 December 2021 respectively, as considered in the unaudited consolidated financial results. 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 and other 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 opinion 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 the above matters.

**For B S R & Associates LLP**

*Chartered Accountants*

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

*Vikash Somani*

**Vikash Somani**

*Partner*

Membership No.: 061272

UDIN:22061272ABYDJJ2338

Hyderabad  
14 February 2022



NATCO Pharma Limited

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2021

(₹ in millions except share data)

S.No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31 December 2021	30 September 2021	31 December 2020	31 December 2021	31 December 2020	31 March 2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	<b>Income</b>						
1	Revenue from operations	5,295	3,304	3,309	12,537	13,420	16,535
2	Other income	316	403	249	842	720	1,011
3	<b>Total income (1+2)</b>	<b>5,611</b>	<b>3,707</b>	<b>3,558</b>	<b>13,379</b>	<b>14,140</b>	<b>17,546</b>
4	<b>Expenses</b>						
	Cost of materials consumed	1,006	1,156	756	3,261	2,836	3,729
	Purchases of stock-in-trade	44	64	220	166	1,721	1,740
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(109)	(331)	(202)	(792)	(105)	(469)
	Employee benefits expense	1,116	1,028	958	3,115	2,906	3,800
	Finance costs	41	32	30	91	90	113
	Depreciation and amortisation expense	355	342	294	1,028	854	1,152
	Other expenses	2,361	893	795	4,280	2,650	3,559
	<b>Total expenses</b>	<b>4,814</b>	<b>3,184</b>	<b>2,851</b>	<b>11,149</b>	<b>10,952</b>	<b>13,624</b>
5	<b>Profit before exceptional items and tax (3-4)</b>	<b>797</b>	<b>523</b>	<b>707</b>	<b>2,230</b>	<b>3,188</b>	<b>3,922</b>
6	Exceptional items	-	-	-	-	-	-
7	<b>Profit before tax (5-6)</b>	<b>797</b>	<b>523</b>	<b>707</b>	<b>2,230</b>	<b>3,188</b>	<b>3,922</b>
8	<b>Tax expense</b>						
	(i) Current tax	142	100	70	397	690	863
	(ii) Income-tax for earlier years	-	-	-	-	-	70
	(ii) Deferred tax (credit)/ charge (refer note 5)	(61)	(113)	90	(171)	(25)	(106)
	<b>Total tax expense</b>	<b>81</b>	<b>(13)</b>	<b>160</b>	<b>226</b>	<b>665</b>	<b>827</b>
9	<b>Profit for the period/ year (7-8)</b>	<b>716</b>	<b>536</b>	<b>547</b>	<b>2,004</b>	<b>2,523</b>	<b>3,095</b>
10	<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	(2)	(2)	(20)	(6)	(59)	(8)
	Net gains/ (losses) from investments in equity instruments designated at FVTOCI	335	(24)	25	411	144	153
	Income-tax relating to items that will not be reclassified to profit or loss	(29)	3	(1)	(37)	(15)	(12)
	<b>Total other comprehensive income (net of tax)</b>	<b>304</b>	<b>(23)</b>	<b>4</b>	<b>368</b>	<b>70</b>	<b>133</b>
11	<b>Total comprehensive income for the period/ year (9+10)</b>	<b>1,020</b>	<b>513</b>	<b>551</b>	<b>2,372</b>	<b>2,593</b>	<b>3,228</b>
12	<b>Paid-up equity share capital (face value of ₹2 each)</b>	<b>365</b>	<b>365</b>	<b>364</b>	<b>365</b>	<b>364</b>	<b>365</b>
13	<b>Other equity</b>						<b>40,546</b>
14	<b>Earnings per share (face value ₹2 each)</b>						
	Basic (in ₹)	3.93	2.94	3.00	10.99	13.85	16.99
	Diluted (in ₹)	3.92	2.94	3.00	10.98	13.82	16.96
		(Non-annualised)	(Non-annualised)	(Non-annualised)	(Non-annualised)	(Non-annualised)	

See accompanying notes to the standalone financial results.





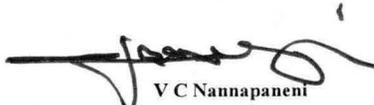
**NATCO Pharma Limited**

**Notes to the unaudited standalone financial results:**

- 1) The 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 standalone financial results for the quarter and nine months ended 31 December 2021 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 14 February 2022.
- 3) The results of the Company for the quarter and nine months ended 31 December 2021, 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) 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) Based on the most recent forecasts as prepared by the Management, it is expected that the unrecognised MAT credit as at 31 March 2021 will be completely utilised over next five years. Accordingly, effective tax rate of the Company is expected to be comparatively lower in the current year.
- 6) During the nine months ended 31 December 2021, 27,340 equity shares of ₹ 2 each, fully-paid up, were allotted upon exercise of the vested stock options pursuant to the ESOP 2016 scheme resulting in an increase in the paid-up share capital of ₹ 0.05 million and securities premium account of ₹ 16.71 million.
- 7) Subsequent to 31 December 2021, NATCO Pharma Limited through its wholly owned subsidiary, NATCO Pharma Inc. USA, has acquired Dash Pharmaceuticals LLC ("Dash"), a New Jersey based entity for a consideration of USD 18 million. Pursuant to this, Dash has become a 100% wholly owned subsidiary of NATCO Pharma Inc. and a step-down subsidiary of NATCO Pharma Limited.
- 8) 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.
- 9) 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.
- 10) The Board of Directors at their meeting held on 14 February 2022 have recommended an interim dividend of ₹ 2 per equity share of ₹ 2 each for the quarter and nine months ended 31 December 2021.

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



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

Place: Hyderabad  
Date: 14 February 2022

# B S R & Associates LLP

Chartered Accountants

Salarpuria Knowledge City,  
Orwell, B Wing, 6<sup>th</sup> Floor, Unit-3,  
Sy No. 83/1, Plot No. 02, Raidurg,  
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## Limited Review Report on unaudited standalone financial results of NATCO Pharma Limited for the quarter ended 31 December 2021 and year-to-date results for the period from 01 April 2021 to 31 December 2021 pursuant to Regulation 33 of Securities and Exchange Board of India (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 of NATCO Pharma Limited ("the Company") for the quarter ended 31 December 2021 and year-to-date results for the period from 01 April 2021 to 31 December 2021 ("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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. 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. 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 Securities and Exchange Board of India (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 **B S R & Associates LLP**  
Chartered Accountants

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

*Vikash Somani*

**Vikash Somani**  
Partner

Membership No.: 061272  
UDIN: 22061272ABYCGV6956

Hyderabad  
14 February 2022

Registered Office:

## Annexure

Brief Profile of Working Directors

Particulars	Sri V C Nannapaneni	Sri Rajeev Nannapaneni	Sri P S R K Prasad	Dr. D Linga Rao
Reasons for Change	appointment	appointment	Re- appointment	Re- appointment
Date of Appointment & Term of Appointment	Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on 14 <sup>th</sup> February 2022 have appointed Sri V C Nannapaneni subject to approval of members at the ensuing Annual General Meeting <b>Term of Appointment:</b> Period: 1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March, 2024	Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on 14 <sup>th</sup> February 2022 have appointed Sri Rajeev Nannapaneni subject to approval of members at the ensuing Annual General Meeting <b>Term of Appointment:</b> Period: 1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March, 2024	Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on 14 <sup>th</sup> February 2022 have reappointed Sri P S R K Prasad subject to approval of members at the ensuing Annual General Meeting <b>Term of Appointment:</b> Period: 1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March, 2024	Upon the recommendation of Nomination and Remuneration Committee, the Board of Directors at their meeting held on 14 <sup>th</sup> February 2022 have reappointed Dr D Linga Rao subject to approval of members at the ensuing Annual General Meeting <b>Term of Appointment:</b> Period: 1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March, 2024
Brief Profile of the Directors	Sri V.C. Nannapaneni, Managing Director is associated with the Company as founder/promoter and driving the Company towards higher growths. He is taking care of new product developments and their launch, overall guidance in clinical trails and R&D.	Sri Rajeev Nannapaneni, Chief Executive Officer is associated with the Company for the past 22 years and he is taking care of all the functional operations of the Company including but not limited to Production, Finance, Legal & Secretarial, new drug launches, Domestic and International Marketing, etc.	Sri P.S.R.K. Prasad, Director and Executive Vice President (Corporate Engineering Services) is associated with the Company for the past 27 years. He has got good knowledge in procuring right equipment(s) and machinery for production processes and to provide all utility services and to utilize the resources like manpower, material in an optimum way and to ensure safety of life and property.	Dr. D. Linga Rao, Director and President (Technical Affairs) has more than 41 years of experience in pharmaceutical industry and has been working with the Company for over 28 years. He has vast experience in various departments like R&D, Quality Control, Quality Assurance and Regulatory affairs.
Disclosure relationships Directors (In case of appointment Directors)	Father of Rajeev Nannapaneni	Son of Sri V C Nannapaneni	--NIL--	--NIL--

*A. Abayasekera*





# Natco Pharma Limited

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Telangana, INDIA. Tel : +91 40 23547532, Fax : +91 40 23548243  
CIN : L24230TG1981PLC003201, www.natcopharma.co.in

Ref: PR/23/2021-2022

**Press Release**

Hyderabad, 14<sup>th</sup> February, 2022

**NATCO records INR 590.7 Crore consolidated revenue and INR 80.4 Crore of profit, after tax, for the Third Quarter, FY2021-22**

Hyderabad based NATCO Pharma Limited (NSE: NATCOPHARM; BSE: 524816) has recorded consolidated total revenue of INR 590.7 Crore, including product licensing income, for the Third quarter ended on 31<sup>st</sup> December, 2021, as against INR 386.0 Crore for the same period last year, reflecting a 53% increase in revenue. The net profit for the period, on a consolidated basis, was INR 80.4 Crores as against INR 63.40 Crore same period last year, with increase of 27% in net profits. During the quarter, there was a one-time expense against product licensing income.

Segmental Revenue Split (All Figures in INR Crore)-

Segment	Revenue, Q3 FY22
API	61.7
Formulations, Domestic	100.3
Formulations, Exports (incl. Profit Share, Licensing Inc & Foreign Subs)	383.1
Other Operating income & non-operating income	45.3
Crop Health Sciences (CHS)	0.3

The Board of Directors has recommended Third interim dividend of INR 2.0 per equity share of INR 2.0 each, for FY 2021-22.

**Forwarded for favor of publication**

For NATCO Pharma Limited

M Adinarayana

Company Secretary &

Vice President (Legal & Corp Affairs)