

Walker Chandio & Co LLP

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Review Report

To the Board of Directors of NATCO Pharma Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of NATCO Pharma Limited ("the Company") for the quarter ended 30 September 2014 and the year to date results for the period 1 April 2014 to 30 September 2014, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. 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 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.
3. *The Company has not recognized Minimum Alternative Tax (MAT) credit entitlement as required by the Guidance Note on "Accounting for Credit available in respect of Minimum Alternative Tax under the Income Tax Act, 1961", issued by the Institute of Chartered Accountants of India. Had the Company accounted for such MAT credit, the net profit after tax for the quarter and half year ended 30 September 2014 would have been higher by ₹8,614 lakhs (₹6,940 lakhs and ₹8,635 lakhs and ₹8,817 for the quarter and half year ended 30 September 2013; quarter ended 30 June 2014; and year ended 31 March 2014, respectively) and reserves and surplus and long-term loans and advances would have been higher by ₹8,614 lakhs (₹8,817 lakhs for the year ended 31 March 2014). This matter had caused us to qualify our review reports and audit report for all the presented comparative periods.*



Chartered Accountants

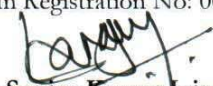
Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kolkata, Mumbai, New Delhi, Noida and Pune

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4. Based on our review conducted as above, *except for the effects of qualification as described in the previous paragraph*, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We have neither performed a review nor performed an audit of the figures/notes for the consolidated results for the quarter ended 30 September 2014, 30 June 2014 and 30 September 2013 and year to date results for the period ended 30 September 2014 and 30 September 2013 as reported in the statement and accordingly do not express any opinion thereon.


For Walker Chandiok & Co LLP
(formerly Walker, Chandiok & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013


per Sanjay Kumar Jain
Partner
Membership No. 207660



Place : Hyderabad
Date : 12 November 2014