

Walker, Chandio & Co

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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 31 December 2012 and the year to date results for the period 1 April 2012 to 31 December 2012, 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 and Audit committee. 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 ('ICAI'). 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. We have neither performed a review nor performed an audit of the figures/notes for the consolidated results for the quarter ended 31 December 2012 and 30 September 2012 and year to date results for the period ended 31 December 2012 and 31 December 2011 as reported in the Statement and accordingly do not express any opinion thereon.



Chartered Accountants

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

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4. We report that the Company has not recognized Minimum Alternative Tax (MAT) credit entitlement pertaining to the quarter and year to date results for the period ended 31 December 2012 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 ICAI. Had the Company accounted for such MAT credit, the net profit after tax for the quarter and year to date results for the period ended 31 December 2012 would have been higher by ₹5,772 lakhs (₹4,080 lakhs, ₹4,892 lakhs and ₹4,049 lakhs for the quarter and year to date results for the period ended 31 December 2011, quarter ended 30 September 2012 and year ended 31 March 2012 respectively). This matter had caused us to qualify our review report and audit report for all the presented comparative periods in the Statement.
5. Based on our review conducted as above, except for the effect of qualification as referred to in paragraph 4, 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 (as amended) and other recognized 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.

Walker, Chandio & Co

For Walker, Chandio & Co

Chartered Accountants

Firm Registration No: 001076N

Sanjay Kumar Jain

per Sanjay Kumar Jain

Partner

Membership No: 207660



Place: Hyderabad

Date: 13 February 2013