



Natco Pharma Limited

Regd. Off. : 'NATCO HOUSE', Road No. 2, Banjara Hills, Hyderabad-500 034. INDIA.
Tel : +91 40 23547532, Fax : +91 40 23548243

12th August, 2014

The Manager - Listing
Corporate Relationship Department
The Bombay Stock Exchange Limited
Dalal Street, Fort
Mumbai 400 001.
Scrip Code: 524816

Mr. Hari K
Vice President
National Stock Exchange of India Ltd.
"Exchange Plaza, Bandra -Kurla Complex
Bandra (E), Mumbai 400 051.
Scrip Code: NATCOPHARM

Dear Sir,

Sub:- Out-come of the Board Meeting held on 12th August, 2014

We wish to inform you that the Board of Directors at their meeting held on today taken on record and considered the following items of business:

1. Unaudited Financial Results (Standalone and Consolidated) and Report of Segment wise Revenue, Results and Capital employed for the Quarter ended 30th June, 2014 as per Clause 41 of the Listing Agreement along with Limited Review Report by the Statutory Auditors and press note. Please find enclosed a copy of the same for your information and records.
2. Board Constituted the Corporate Social Responsibility Committee of Directors.
3. Board renamed and re constituted the Investors Grievance Committee into Stakeholders Relationship Committee and Remuneration Committee into Nomination and Remuneration Committee.
4. Board convened the 31st Annual General Meeting of the Members of the Company for the year 2013-2014 on Saturday, the 27th day of September, 2014 at 10.30 a.m. at Daspalla Hotel, Road No.37, Jubilee Hills, Hyderabad - 500 033. Pursuant to Section 91 of the Companies Act, 2013 the Register of Members and Transfer books of the company will remain closed from Wednesday, the 24th Day of September, 2014 to Saturday, the 27th day of September, 2014 (both days inclusive) for the purpose of Annual General Meeting of the company.

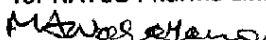
Board of Directors proposed along with other items the following items of special business and recommended to the members for their approval in the ensuing Annual General Meeting

1. Increase of remuneration of Working Directors
2. Appointment of Independent Directors
3. Appointment of Cost Auditors
4. Enhancement of Limits of Borrowing Powers and Creation of Charge
5. To Adopt Articles of Association of the Company containing Regulations in Conformity with the Companies Act, 2013 and Investment Agreement entered with M/s.CX Securities Ltd
6. Proposed to issue further equity shares not exceeding 2,00,000 equity shares of Rs.10/- each to the Promoters of Natco organics Limited on preferential offer on private placement basis for issue for consideration other than cash.

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.



Statement of consolidated Financial Results for the quarter ended 30th June, 2014

Rs. lakhs

PART I : STATEMENT OF CONSOLIDATED RESULTS				
PARTICULARS (REFER NOTES BELOW)	THREE MONTHS ENDED (UNREVIEWED/UNAUDITED)			YEAR ENDED (AUDITED)
	30-JUN-2014	31-MAR-2014	30-JUN-2013	31-MAR-2014
01. Gross Sales / Income from Operations	19922	18131	17062	71406
Less : Excise Duty	466	345	323	1380
Less : Sales Tax	408	305	285	1182
Net Sales / Income from Operations	19048	17481	16454	68844
02. Other Operating Income	1948	899	797	5045
03. TOTAL INCOME FROM OPERATIONS	20996	18380	17251	73889
04. EXPENDITURE				
a) Cost of materials consumed	6088	5003	5745	16010
b) Purchases of stock-in-trade	-	1439	-	8889
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	477	-167	-275	-1577
d) Employee benefits expense	3183	3079	2589	11277
e) Depreciation and amortization expense	1114	797	731	3045
f) Other Expenses	5531	5300	4724	21356
TOTAL EXPENSES	16393	15451	13514	59000
05. Profit / (Loss) from Operations before other income, finance costs and exceptional items	4603	2929	3737	14889
06. Other Income	152	996	350	1671
07. Finance costs	656	742	996	3662
08. Profit / (Loss) from ordinary activities before tax	4099	3183	3091	12898
09. Tax expense, including deferred tax	878	634	1014	3087
10. Minority Interest	-125	-147	-101	-463
11. Net Profit / Loss (-) from ordinary activities after tax	3346	2402	2178	10274
12. Paid-up Equity Share Capital (each share of Rs. 10/- face value)	3307	3307	3137	3307
13. Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year				69280
14. Earnings per share - Basic and diluted EPS before and after extraordinary item (Rs.)	10.12	7.26	6.94	32.16
	10.12	7.26	6.94	32.16
PART II : SELECT INFORMATION				
15. Public Shareholding:				
a) Number of Shares	15,373,943	15,365,107	13,607,593	15,365,107
b) Percentage of Shareholding	46.48	46.46	43.37	46.46
16. Promoters and Promoter Group Shareholding				
a) Pledged / Encumbered - No. of shares	-	-	-	-
b) Non - encumbered - No. of shares	17,699,131	1,77,07,967	17,765,481	1,77,07,967
Percentage (as a % of the total shareholding of promoter and promoter group)	100	100	100.00	100
Percentage (as a % of the total share capital of the company)	53.52	53.54	56.63	53.54

The above financial results were approved by the Audit Committee and the Board of Directors at a meeting held at Hyderabad, on Tuesday, the 12th August, 2014. There are no exceptional and extraordinary items to be reported for the period under review. The stand-alone results are available on the company's web-site www.natcopharma.co.in. In respect of reference relating to non-accounting of minimum alternate tax credit during the previous year ended, the company will review the position during the current financial year.

Dated at Hyderabad, this, the 12th August, 2014.
for and on behalf of the Board of Directors,
NATCO Pharma Limited

V.C. Nannapaneni
Chairman & Managing Director

Status of Investor Complaints as at 30th June, 2014

Pending as on 01-04-2014	Nil
Received during the quarter	01
Resolved during the quarter	01
Pending as on 30-06-2014	Nil



Statement of stand-alone Financial Results for the quarter ended 30th June, 2014

Rs. lakhs

PART I: STATEMENT OF STAND-ALONE RESULTS				
PARTICULARS	THREE MONTHS ENDED			YEAR ENDED (AUDITED)
	30-JUN-2014 REVIEWED	31-MAR-2014 UN-AUDITED	30-JUN-2013 REVIEWED	31-MAR-2014
01. Gross Sales / Income from Operations	17074	15090	14254	59710
Less : Excise Duty	466	345	291	1332
Less : Sales Tax	408	306	278	1174
Net Sales / Income from Operations	16200	14439	13685	57204
02. Other Operating Income	1949	884	797	5029
03. TOTAL INCOME FROM OPERATIONS	18148	15323	14482	62233
04. EXPENDITURE				
a) Cost of materials consumed	3892	4558	3871	16670
b) Purchases of stock-in-trade				
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	477	-187	-275	-1597
d) Employee benefits expense	2715	2512	2205	9422
e) Depreciation and amortization expenses	1019	696	641	2679
f) Other Expenses	5008	4776	4172	19080
TOTAL EXPENSES	13111	12355	10614	46254
05. Profit / (Loss) from Operations before other income, finance costs and exceptional items	5037	2968	3868	15979
06. Other Income	88	939	350	1571
07. Finance costs	636	614	953	3405
08. Profit / (Loss) from ordinary activities before tax	4489	3293	3260	14145
09. Tax expense, including deferred tax	848	659	986	3126
10. Net Profit / Loss (-) from ordinary activities after tax	3641	2634	2274	11019
11. Paid-up Equity Share Capital (each share of Rs. 10/- face value)	3307	3307	3137	3307
12. Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year				69983
13. Earnings per share – Basic and diluted EPS before and after extraordinary item (Rs.) – non-annualized	11.01	7.96	7.25	34.49
	11.01	7.96	7.25	34.49
PART II : SELECT INFORMATION				
14. Public Shareholding:				
a) Number of Shares	15,373,943	15,365,107	13,607,593	15,365,107
b) Percentage of Shareholding	46.48	46.46	43.37	46.46
15. Promoters and Promoter Group Shareholding				
a) Pledged / Encumbered -				
b) Non - encumbered - No. of shares	17,699,131	17,707,967	17,765,481	17707967
Percentage (as a % of the total shareholding of promoter and promoter group)	100	100	100.00	100
Percentage (as a % of the total share capital of the company)	53.52	53.54	56.63	53.54

Dated at Hyderabad, this, the 12th day of August, 2014.
for and on behalf of the Board of Directors,
NATCO Pharma Limited

V.C. Nannapaneni
Chairman & Managing Director

Status of Investor Complaints as at 30th June, 2014

Pending as on 01-04-2014	Nil
Received during the quarter	61
Resolved during the quarter	61
Pending as on 30-06-2014	Nil

Regd. Office: **NATCO** House, Road # 2, Banjara Hills, **Hyderabad : 500 033.**



Report of segment wise revenue, Results and Capital Employed, (Un-audited) under Clause 41 of the Listing Agreement, for the quarter ended on 30th June, 2014

Rs. lakhs

	THREE MONTHS ENDED			PREVIOUS ACCOUNTING YEAR ENDED (UN-AUDITED)
	30-JUN-2014	31-MAR-2014	30-JUN-2013	31-MAR-2014
01. Segment Revenue (Net)				
a) Bulk Chemicals	8527	4344	6370	22101
b) Formulations	8966	10931	6488	38702
c) Job Work	230	237	195	1193
d) Unallocated	970	263	1841	2386
Total	18693	15775	14894	64382
Less : Inter-segment Revenue	545	452	412	2149
Net Sales / Income from Operations	18148	15323	14482	62233
02. Segment Results : Profit (+)/Loss (-) before tax and interest				
a) Bulk Chemicals	3957	504	1517	4581
b) Formulations	3068	4699	2186	16857
c) Job Work	163	202	139	984
d) Unallocated	53	197	1673	2109
Total	7261	5802	5515	24531
Less : a) Interest	636	614	958	3405
b) Other allocable expenditure	2224	2834	1647	8552
c) Unallocable Income	(88)	(939)	(350)	(1571)
Total Profit Before Tax	4489	3293	3280	14145
03. Capital Employed				
a) Bulk Chemicals	45748	39578	37370	39578
b) Formulations	30176	38238	30873	38238
c) Job Work	212	165	156	165
e) Unallocated (Others)	173	-4691	-12367	-4691
Total	76309	73290	56032	73290

The above un-audited financial results were reviewed by the Audit Committee, Statutory Auditors and approved by the Board of Directors at a meeting held at Hyderabad, on Tuesday, the 12th August, 2014. There are no extraordinary and exceptional items to be reported for the period under review. In accordance with the requirements to Schedule II of the Companies Act, 2013, the Company has re-assessed the useful lives and residual value of the fixed assets and (i) An amount of ₹623 lakhs has been charged to the opening balance of the retained earnings in respect of assets whose remaining useful life is nil as at 1 April 2014, ii) The profit for the period has decreased by ₹306 lakhs on account of application of Schedule II.

In respect of non-accounting of minimum alternate tax credit, referred to in the review report, the company will evaluate the position during the current financial year. Figures for the previous period(s) have been re-arranged / re-grouped wherever necessary. The figures for the quarter ended March 31, 2014 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures up to third quarter of the relevant financial year, except those relating to segment revenues and profitability.

Dated at Hyderabad, this, the 12th day of August, 2014.
for and on behalf of the Board of Directors,
NATCO Pharma Limited


V.C. Nannapaneni
Chairman & Managing Director

Regd. Office: **NATCO** House, Road # 2, Banjara Hills, **Hyderabad : 500 033.**

Walker Chandiook & Co LLP

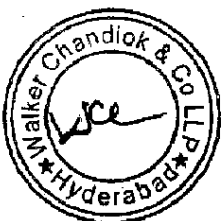
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(Formerly Walker, Chandiook & Co)
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Kundan Bagh, Begumpet
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Review Report

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 June 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. We have neither performed a review nor performed an audit of the figures/notes for the consolidated results for the quarter ended 30 June 2014, 31 March 2014 and 30 June 2013 as reported in the statement and accordingly do not express any opinion thereon.

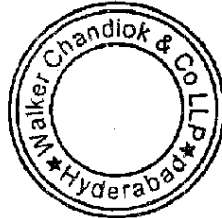


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4. The Company has not recognized Minimum Alternative Tax (MAT) credit entitlement as required by the Guidance Note on "Accounting for Credit available in respect of Minimum Alternative Tax under the Income Tax Act, 1961", issued by the Institute of Chartered Accountants of India. Had the Company accounted for such MAT credit, the net profit after tax for the quarter ended 30 June 2014 would have been higher by ₹8,635 lakhs (₹6,621 lakhs and ₹8,817 lakhs for quarter ended 30 June 2013 and year ended 31 March 2014). This matter had caused us to qualify our review report and audit report for all the presented comparative periods.
5. Based on our review conducted as above, except for the effect 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.

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

Sanjay Kumar Jain
per Sanjay Kumar Jain
Partner
Membership No.: 207660



Place: Hyderabad
Date: 12 August 2014

**Natco Pharma Limited**

Regd. Off : NATCO HOUSE, Road No. 2, Banjara Hills, Hyderabad-500 033, INDIA.
Tel : +91 40 23547562, Fax : +91 40 23548243

CIN No: L24230TG1981PLC003201

WEBSITE: WWW.NATCOPHARMA.CO.IN

Ref:PR/08/2014

Press Release

Hyderabad, 12th August, 2014

NATCO records Rs.33.46 crores profit for the First Quarter ended June 2014

Hyderabad based NATCO Pharma Limited has recorded an aggregate of Rs.211.48 Crores in consolidated net revenues for the quarter ended on 30th June, 2014, as against Rs. 176.01 Crores during the same quarter last year, recording an increase of about 20%. The net profit, after tax, on a consolidated basis, improved to Rs. 33.46 Crores, as against Rs. 21.78 Crores same quarter last year reflecting a 54% jump.

Forwarded for favor 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)