



Natco Pharma Limited

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CIN : L24230TG1981PLC003201, www.natcopharma.co.in

11th February, 2016

Corporate Relationship Department
The Bombay Stock Exchange Limited
Dalal Sreet, 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,

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

1. Unaudited Financial Results (Standalone and Consolidated) and Report of Segment wise Revenue, Results and Capital employed for the Quarter ended 31st December, 2015 as per Regulation 33 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with Limited Review Report by the Statutory Auditors. Please find enclosed a copy of the same.
2. The Board also recommended payment of an interim dividend of Rs.1.25/- on each equity share of Rs.2/- each for the year 2015-2016.
3. 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 **23th February, 2016**. The said interim dividend pay-by-date is **3rd March, 2016**.
4. Interim CFO Mr. S V V N Appa Rao appointed as Chief Financial Officer of the Company.

Thanking you,

Yours faithfully,
for NATCO Pharma Limited

M Adinarayana
Company Secretary &
V.P. (Legal & Corp. Affairs)

Encl: as above.



NATCO PHARMA LIMITED

Statement of consolidated Financial Results for the quarter and nine months ended 31st December 2015

Rs. in lakhs

PART I : STATEMENT OF CONSOLIDATED RESULTS

PARTICULARS	THREE MONTHS ENDED (UN-AUDITED)			YEAR-TO-DATE FIGURES FOR NINE MONTHS ENDED ON (UN-AUDITED)		YEAR ENDED (AUDITED)
	31 December 2015	30 September 2015	31 December 2014	31 December 2015	31 December 2014	31 March 2015
01. INCOME FROM OPERATIONS						
a) Net Sales/Income from Operations (Net of Excise Duty & Sales Tax)	26,312	22,277	18,427	70,158	58,363	77,420
b) Other Operating Income	1,292	1,213	1,119	3,307	4,084	5,107
TOTAL INCOME FROM OPERATIONS	27,604	23,490	19,546	73,465	62,447	82,527
02. EXPENDITURE						
a) Cost of materials consumed	7,649	6,240	6,503	19,633	18,282	16,726
b) Purchases of stock-in-trade	2,340	2,315	-	7,043	-	8,428
c) Changes in inventories of finished goods, work-in progress and stock-in-trade	(774)	(1,819)	(198)	(3,741)	1,004	(917)
d) Employee benefits expense	4,695	4,304	3,329	13,025	9,854	13,692
e) Depreciation and amortization expense	1,332	1,268	1,218	3,864	3,446	4,726
f) Other Expenses	7,567	6,601	5,156	19,783	16,916	23,261
TOTAL EXPENSES	22,809	18,909	16,008	59,607	49,502	65,916
03. Profit/(Loss) from Operations before other income, finance costs and exceptional items	4,795	4,581	3,538	13,858	12,945	16,611
04. Other Income	536	207	734	926	1,171	1,491
05. Profit/(Loss) from ordinary activities before finance Cost and exceptional items	5,331	4,788	4,272	14,784	14,116	18,102
06. Finance costs	358	766	851	1,932	2,231	3,168
07. Profit/(Loss) from ordinary activities after finance Costs but before exceptional items	4,973	4,022	3,421	12,852	11,885	14,934
08. Exceptional Item	-	-	1,513	-	1,513	1,513
09. Profit/(Loss) from ordinary activities before tax	4,973	4,022	1,908	12,852	10,372	13,421
10a. Current Tax expense	1,212	1,018	527	3,247	2,543	3,512
10b. Deferred Tax expense /(reversal)	94	86	15	266	118	(3,117)
11. Net Profit/ (Loss) from ordinary activities after tax	3,667	2,918	1,366	9,339	7,711	13,026
12. Minority Interest	(48)	(39)	(68)	(156)	(306)	(435)
13. Net Profit/ (Loss) for the period	3,715	2,957	1,434	9,495	8,017	13,461
14. Paid-up Equity Share Capital(each share of Rs.2/-face value)	3,483	3,483	3,323	3,483	3,323	3,323
15. Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	81,282
16. Earnings per share (each share of Rs.2/-face value)						
Basic EPS before and after extraordinary item (Rs.) – non-annualized	2.13	1.77	0.87	5.61	4.85	8.13
Diluted EPS before and after extraordinary item (Rs.) – non-annualized	2.13	1.77	0.87	5.61	4.85	8.13

The un-audited consolidated financial results were reviewed by the Audit Committee, and approved by the Board of Directors at a meeting held at Hyderabad, on Thursday, the 11th February, 2016.

There are no exceptional and extraordinary items to be reported for the period under review.

The stand alone result are available on the company website www.natcopharma.co.in.

Dated at Hyderabad, this, the 11th day of February, 2016.
for and on behalf of the Board of Directors,
NATCO Pharma Limited

V.C. Nannapaneni
Chairman & Managing Director



NATCO PHARMA LIMITED

Statement of stand-alone Financial Results for the quarter and nine months ended 31st December 2015

Rs. in lakhs

PART I : STATEMENT OF STAND-ALONE FINANCIAL RESULTS						
PARTICULARS	THREE MONTHS ENDED (UN-AUDITED)			YEAR-TO-DATE FIGURES FOR NINE MONTHS ENDED ON (UN-AUDITED)		YEAR ENDED (AUDITED)
	31 December 2015	30 September 2015	31 December 2014	31 December 2015	31 December 2014	31 March 2015
01. INCOME FROM OPERATIONS						
a) Net Sales/Income from Operations (Net of Excise Duty & Sales Tax)	23,402	18,991	15,577	61,010	49,888	66,450
b) Other Operating Income	1,124	1,213	1,119	3,125	4,084	5,107
TOTAL INCOME FROM OPERATIONS	24,526	20,204	16,696	64,135	53,972	71,557
02. EXPENDITURE						
a) Cost of materials consumed	7,912	6,376	4,881	20,469	12,593	17,858
b) Purchases of stock-in-trade	-	-	-	37	-	88
c) Changes in inventories of finished goods, work-in progress and stock-in-trade	(852)	(1,838)	(198)	(3,715)	1,004	(876)
d) Employee benefits expense	4,162	3,551	2,793	11,177	8,417	11,619
e) Depreciation and amortization expense	1,170	1,124	1,075	3,414	3,117	4,246
f) Other Expenses	6,788	6,037	4,432	17,518	15,026	20,010
TOTAL EXPENSES	19,180	15,250	12,983	48,900	40,157	52,945
03. Profit/(Loss) from Operations before other income, finance costs and exceptional items	5,346	4,954	3,713	15,235	13,815	18,612
04. Other Income	640	308	712	1,231	1,100	1,355
05. Profit/(Loss) from ordinary activities before finance Cost and exceptional items	5,986	5,262	4,425	16,466	14,915	19,967
06. Finance costs	332	754	811	1,863	2,146	3,013
07. Profit/(Loss) from ordinary activities after finance Costs but before exceptional items	5,654	4,508	3,614	14,603	12,769	16,954
08. Exceptional Item	-	-	1,513	-	1,513	1,513
09. Profit/(Loss) from ordinary activities before tax	5,654	4,508	2,101	14,603	11,256	15,441
10a. Current Tax expense	1,206	962	425	3,116	2,357	3,252
10b. Deferred Tax expense /(reversal)	94	86	15	266	118	(3,103)
11. Net Profit/(Loss) from ordinary activities after tax	4,354	3,460	1,661	11,221	8,781	15,292
12. Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13. Net Profit/(Loss) for the period	4,354	3,460	1,661	11,221	8,781	15,292
14. Paid-up Equity Share Capital	3,483	3,483	3,323	3,483	3,323	3,323
15. Reserves excluding revaluation reserves as per Balance Sheet of previous accounting year	-	-	-	-	-	84,576
16. Earnings per share (each share of Rs. 2/- face value)						
Basic EPS before and after extraordinary item (Rs.) - non-annualized	2.50	2.07	1.00	6.63	5.31	9.23
Diluted EPS before and after extraordinary item (Rs.) - non-annualized	2.49	2.07	1.00	6.62	5.31	9.23

Dated at Hyderabad, this, the 11th day of February, 2016.
for and on behalf of the Board of Directors,
NATCO Pharma Limited

V.C. Mannapaneni
Chairman & Managing Director

Regd. Office: NATCO House, Road # 2, Banjara Hills, Hyderabad : 500 034



NATCO PHARMA LIMITED

Statement of stand-alone segment wise revenue, results and capital employed for the quarter and nine months ended on 31st December, 2015

Rs. In lakhs

PARTICULARS	THREE MONTHS ENDED (UN-AUDITED)			NINE MONTHS ENDED (UN-AUDITED)		PREVIOUS ACCOUNTING YEAR ENDED (UN-AUDITED)
	31-Dec-15	30-Sep-15	31-Dec-14	31-Dec-15	31-Dec-14	
01. Segment Revenue(Net)						
a) Bulk Chemicals	6,773	5,198	6,339	17,551	22,297	29,468
b) Formulations	20,261	15,910	9,733	50,317	30,581	42,524
c) Job Work	149	127	176	497	612	830
d) Unallocated	132	31	788	489	1,998	2,502
Total	27,315	21,266	17,036	68,854	55,488	75,324
Less: Inter-Segment Revenue	2,789	1,062	340	4,719	1,516	3,767
Net Sales/Income from Operations	24,526	20,204	16,696	64,135	53,972	71,557
02. Segment Results: Profit(+)/Loss(-) before tax and interest						
a) Bulk Chemicals	433	495	732	2,062	5,450	8,043
b) Formulations	8,256	6,781	3,978	20,749	13,625	17,784
c) Job Work	137	108	144	435	505	684
d) Unallocated	43	77	587	363	681	1,354
Total	8,869	7,461	5,441	23,609	20,261	27,865
Less: a) Interest	332	754	811	1,863	2,146	3,013
b) Other unallocable expenditure	3,523	2,507	3,241	8,374	7,959	10,766
c) Unallocable Income	(640)	(308)	(712)	(1,231)	(1,100)	(1,355)
Total Profit Before Tax	5,654	4,508	2,101	14,603	11,256	15,441
03. Capital Employed (Segment Assets - Segment Liabilities)						
a) Bulk Chemicals	48,829	47,598	49,038	48,829	49,038	44,091
b) Formulations	50,586	47,164	38,056	50,586	38,056	44,740
c) Job Work	128	41	188	128	188	227
d) Unallocated	33,572	33,408	(3,687)	33,572	(3,687)	(1,159)
Total	1,33,115	1,28,211	83,595	1,33,115	83,595	87,899

The above un-audited stand-alone financial results were reviewed by the Audit Committee and approved by the Board of Directors at a meeting held on 11 February 2016 at Hyderabad. A limited review of the above stand-alone financial results was performed by the Statutory Auditors.

Equity shares of the Company with face value of Rs.10 per share were sub-divided into 5 equity shares of Rs.2 each effective 30 November 2015. Consequently, in accordance with Accounting Standard (AS) 20 - "Earnings Per Share", the basic and diluted earnings per share of the previous periods have been recomputed and disclosed accordingly.

The Company has allotted 1,600,000 equity shares of Rs.10 each at a premium of Rs.2,120.55 per equity share on 18 September 2015 pursuant to a Qualified Institutions Placement under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (as amended). Share issue expenses amounting to Rs.642 lakhs have been adjusted against the Securities Premium Account in terms of the provisions of Section 52 of the Companies Act, 2013.

The Board of directors have recommended an interim dividend of Rs.1.25 per equity share of Rs.2 each.

Figures for the previous period(s) have been re-arranged / re-grouped wherever necessary.

Dated at Hyderabad, this, the 11th day of February, 2016.
for and on behalf of the Board of Directors,
NATCO Pharma Limited

V.C. Nannapaneni
Chairman & Managing Director

Walker Chandiok & Co LLP

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(Formerly Walker, Chandiok & 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 2015 and the year to date results for the period 1 April 2015 to 31 December 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, 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 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.
4. We have neither performed a review nor performed an audit of the figures/notes for the consolidated financial results for the quarter ended 31 December 2015, 30 September 2015 and 31 December 2014 and year to date results for the period ended 31 December 2015 and 31 December 2014 as reported in the statement and accordingly do not express any opinion thereon.

Walker Chandiok & Co LLP
For Walker Chandiok & Co LLP

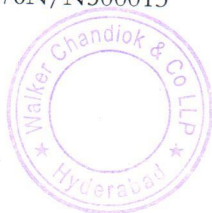
Chartered Accountants

Firm Registration No. 001076N/N500013

per **Sanjay Kumar Jain**

Partner

Membership No.: 207660



Place : Hyderabad

Date : 11 February 2016