



# *Divi's Laboratories Limited*

Date. 10<sup>th</sup> August, 2019

To  
The Secretary  
**National Stock Exchange of India Limited**  
Exchange Plaza,  
Bandra-Kurla Complex, Bandra (East)  
MUMBAI – 400 051

**Stock Code: DIVISLAB**

To  
The Secretary  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
MUMBAI – 400 001

**Stock Code: 532488**

Dear Sir/ Madam,

**Sub: Un-audited financial results for the first quarter ended 30<sup>th</sup> June, 2019 and limited review report –reg**

**Ref: Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015**

Further to our intimation dated 01<sup>st</sup> August 2019, we would like to inform that the Board of Directors of the Company at its meeting held on Saturday, 10<sup>th</sup> August 2019 has approved the Un-audited Financial Results for the first quarter ended 30<sup>th</sup> June 2019.


In terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, we are enclosing herewith the following:

1. Un-audited Standalone Financial Results for the quarter ended 30<sup>th</sup> June 2019 along with Limited Review Report of the Statutory Auditors.
2. Un-audited Consolidated Financial Results for the quarter ended 30<sup>th</sup> June 2019 along with Limited Review Report of the Statutory Auditors.
3. Press Release on the Financial Results of the Company.

The Board meeting commenced at 11:00 Hrs and concluded at 14.20 Hrs

This is for your information and records.

Thanking You,  
Yours faithfully,  
For Divi's Laboratories Limited

  
M. Satish Choudhury  
Company Secretary & Compliance Officer



**“An ISO-9001, ISO-14001 and OHSAS-18001 Triple certified company”**

**Regd. Off. :** Divi Towers, 1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli, Hyderabad - 500 032, Telangana, INDIA.

Tel : 91-40-2378 6300, Fax : 91-40-2378 6460, CIN : L24110TG1990PLC011854

E-mail : mail@divislaboratories.com, Website : www.divislaboratories.com

## DIVI'S LABORATORIES LIMITED

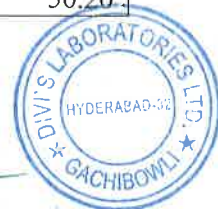
### STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE, 2019

(₹. in lakhs)

	Particulars	Quarter ended			Year ended
		30.06.2019 (Unaudited)	31.03.2019 (Audited)*	30.06.2018 (Unaudited)	31.03.2019 (Audited)
1	Revenue from operations	113992	125643	99531	487966
2	Other Income	3163	4173	4879	15658
3	Total Revenue from Operations	117155	129816	104410	503624
4	<b>Expenses</b>				
	a) Cost of materials consumed	50398	57718	39767	208205
	b) Purchases of stock-in-trade	0	0	0	0
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(5025)	(7422)	(1623)	(24422)
	d) Employee benefits expense	13795	13828	12133	53072
	e) Depreciation and amortization expense	4381	4234	4160	16881
	f) Finance Costs	32	10	64	350
	g) Other Expenses	16963	20410	14068	66215
	Total expenses	80544	88778	68569	320301
5	Profit before exceptional Items and tax (3-4)	36611	41038	35841	183323
6	Exceptional items	0	0	0	0
7	Profit before Tax (5-6)	36611	41038	35841	183323
8	Tax Expense				
	a) Current Tax	9365	10924	8566	47245
	b) Deferred Tax	511	1179	659	2813
	Total Tax Expense	9876	12103	9225	50058
9	Net Profit for the period (7-8)	26735	28935	26616	133265
10	Other Comprehensive Income: Items that will not be reclassified to Profit or Loss:				
	-Remeasurements of post-employment benefit obligations	40	71	24	141
	Current tax relating to OCI	(10)	(16)	(7)	(36)
	Total other comprehensive Income	30	55	17	105
11	Total comprehensive Income for the period (9+10)	26765	28990	26633	133370
12	Paid-up Equity Share Capital (Face Value: Rs.2 per share)	5309	5309	5309	5309
13	Other Equity				692022
14	Earnings per Share (of Rs.2/- each) (not annualized)				
	a) Basic (₹.)	10.07	10.90	10.03	50.20
	b) Diluted (₹.)	10.07	10.90	10.03	50.20



*(Signature)*



**NOTES:**

1. The above standalone financial results, as reviewed by the Audit Committee, were considered and approved by the Board of Directors at its meeting held on 10<sup>th</sup> August, 2019.
2. The results for the quarter ended 30<sup>th</sup> June, 2019 were subjected to 'limited review' by the Auditors and their report contains no qualification.
3. The Company is engaged in the manufacture of Active Pharmaceutical Ingredients, intermediates and nutraceutical ingredients; and the same constitutes a single reportable business segment as per Ind AS 108.
4. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
5. The Ministry of Corporate Affairs (MCA), on 30<sup>th</sup> March, 2019, notified Ind AS 116 "Leases" as part of the Companies (India Accounting Standard) Amendment Rules, 2019. The new standard is effective for accounting periods beginning on or after 1<sup>st</sup> April, 2019. The adoption of the standard did not have any material impact to the financial results of the Company.
6. Details of forex gain/loss are given below:

(₹. in lakhs)

	Quarter ended			Year Ended
	30.06.2019 (Unaudited)	31.03.2019 (Audited)*	30.06.2018 (Unaudited)	31.03.2019 (Audited)
Forex gain/ (loss)	(596)	(743)	2669	3092


Forex gain has been included in Other Income and loss has been included in Other Expenses.

7. \*Figures for the quarter ended 31<sup>st</sup> March 2019 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto the third quarter of the respective financial year
8. Figures for the previous year/period have been reclassified/ regrouped wherever necessary to conform to current year's classification.

Place: Hyderabad  
Date: 10<sup>th</sup> August, 2019



for Divi's Laboratories Limited

  
Dr. Murali K. Divi

Chairman & Managing Director




# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
M/s. Divi's Laboratories Limited  
Divis towers, 1-72/23(P) / 303,  
Cyber hills, Gachibowli  
Hyderabad, 500032

1. We have reviewed the standalone unaudited financial results of Divi's Laboratories Limited (the "Company") for the quarter ended June 30, 2019 which are included in the accompanying Statement of Standalone Unaudited financial results for the quarter ended June 30, 2019 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. The 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.
3. 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 Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: (FRN 012754N/N500016)

Place: Hyderabad  
Date: August 10, 2019

  
Sunit Kumar Basu  
Partner  
Membership Number 55000  
UDIN: 19055000AAAACI1446

*Price Waterhouse Chartered Accountants LLP, Plot No. 77/A, 8-2-624/A/1, 3rd Floor, Road No. 10, Banjara Hills  
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Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

## DIVI'S LABORATORIES LIMITED

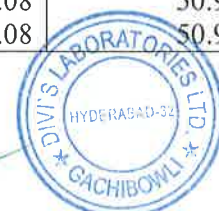
### STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>th</sup> JUNE, 2019

(₹. in lakhs)

	Particulars	Quarter ended			Year ended
		30.06.2019 (Unaudited)	31.03.2019 (Unaudited)*	30.06.2018 (Unaudited)*	31.03.2019 (Audited)
1	Revenue from operations	116288	126713	99524	494626
2	Other Income	3032	4084	4854	15563
3	Total Revenue from Operations (1+2)	119320	130797	104378	510189
4	<b>Expenses</b>				
	a) Cost of materials consumed	50992	58365	40309	210389
	b) Purchases of stock-in-trade	123	249	1850	2592
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(5882)	(9573)	(5274)	(30459)
	d) Employee benefits expense	14086	14135	12394	54227
	e) Depreciation and amortization expense	4383	4237	4162	16890
	f) Finance Costs	32	10	64	350
	g) Other Expenses	18255	21897	14998	70693
	<b>Total expenses</b>	<b>81989</b>	<b>89320</b>	<b>68503</b>	<b>324682</b>
5	Profit before exceptional Items and tax (3-4)	37331	41477	35875	185507
6	Exceptional items	0	0	0	0
7	Profit before Tax (5-6)	37331	41477	35875	185507
8	Tax Expense				
	a) Current Tax	9568	11263	8561	47551
	b) Deferred Tax	519	1017	547	2682
	Total Tax Expense	10087	12280	9108	50233
9	Net Profit for the period (7-8)	27244	29197	26767	135274
10	Other Comprehensive Income:				
	a) Items that will not be reclassified to Profit or Loss:				
	- Remeasurement of post-employment benefit obligations	40	71	24	141
	b) Items that will be reclassified to Profit or Loss:				
	- Exchange differences in translating the financial statements of a foreign operation	0**	(28)	(66)	(140)
	Current tax relating to OCI	(10)	(16)	(7)	(36)
	Total other comprehensive Income	30	27	(49)	(35)
11	Total comprehensive Income for the period (9+10)	27274	29224	26718	135239
12	Paid-up Equity Share Capital (Face Value: Rs.2 per share)	5309	5309	5309	5309
13	Other Equity				690406
14	Earnings per Share (of Rs.2/- each) (not annualized)				
	a) Basic (₹.)	10.26	11.00	10.08	50.96
	b) Diluted (₹.)	10.26	11.00	10.08	50.96



*(Handwritten Signature)*



## NOTES:

1. The above consolidated unaudited financial results, as reviewed by the Audit Committee, were considered and approved by the Board of Directors at its meeting held on 10<sup>th</sup> August, 2019.
2. The consolidated results for the quarter ended 30<sup>th</sup> June, 2019 were subjected to 'limited review' by the auditors and their report contains no qualification.
3. The consolidated unaudited results include the financial results of Divi's Laboratories Limited and its two subsidiaries Divis Laboratories (USA) Inc. and Divi's Laboratories Europe AG.
4. The group is engaged in the manufacture of Active Pharmaceutical Ingredients, intermediates and nutraceutical ingredients; and the same constitutes as a single reportable business segment as per Ind AS 108.
5. These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules thereunder and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. The Ministry of Corporate Affairs (MCA), on 30<sup>th</sup> March, 2019, notified Ind AS 116 "Leases" as part of the Companies (India Accounting Standard) Amendment Rules, 2019. The new standard is effective for accounting periods beginning on or after 1<sup>st</sup> April, 2019. The adoption of the standard did not have any material impact to the financial results of the Company.
7. Details of forex gain/loss are given below:

(₹. in lakhs)

	Quarter ended			Year Ended
	30.06.2019 (Unaudited)	31.03.2019 (Unaudited)*	30.06.2018 (Unaudited)*	31.03.2019 (Audited)
Forex gain/ (loss)	(612)	(611)	2631	3086

Forex gain has been included in Other Income and loss has been included in Other Expenses.

8. \*The figures for the quarter ended 31<sup>st</sup> March, 2019 and the quarter 30<sup>th</sup> June, 2018, included in the statement of consolidated unaudited financial results for the quarter ended 30<sup>th</sup> June, 2019 have been approved by the Holding company's Board of directors, but have not been subjected to review as the mandatory requirement for limited review has been made applicable for periods beginning 01<sup>st</sup> April 2019, pursuant to regulation 33(8) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015, as amended.
9. \*\* Amount is below the rounding off norm adopted by the group.
10. Figures for the previous year/period have been reclassified/ regrouped wherever necessary to conform to current period's classification.

Place: Hyderabad  
Date: 10<sup>th</sup> August, 2019



For Divi's Laboratories Limited

  
Dr. Murali K. Divi  
Chairman & Managing Director

# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
M/s. Divi's Laboratories Limited  
Divis towers, 1-72/23(P) / 303,  
Cyber hills, Gachibowli  
Hyderabad, Telangana — 500032

1. We have reviewed the unaudited consolidated financial results of Divis Laboratories Limited (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group") [(refer Note 3 on the Statement)] for the quarter ended June 30, 2019 which are included in the accompanying Statement of consolidated unaudited financial results for the quarter ended June 30, 2019 (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, which has been initialled by us for identification purposes. Attention is drawn to the fact that the consolidated figures for the corresponding quarters ended June 30, 2018 and March 31, 2019 as reported in these financial results have been approved by the Parent's Board of Directors, but have not been subjected to review.
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. 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. 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 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 SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following subsidiaries:
  - a. Divis Laboratories (USA) Inc
  - b. Divi's Laboratories Europe AG



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## Price Waterhouse Chartered Accountants LLP

5. Based on our review conducted and procedures performed as stated in paragraph 3 above nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed or that it contains any material misstatement.
6. The consolidated unaudited financial results includes the interim financial results/financial information of two subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs.8,256 lakhs, total net profit after tax of Rs.483 lakhs and total comprehensive income of Rs.483 lakhs for the quarter ended June 30, 2019, as considered in the consolidated unaudited financial results. According to the information and explanations given to us by the Management, these interim financial results/financial information are not material to the Group.

Our conclusion on the Statement is not modified in respect of the above matter.

For Price Waterhouse Chartered Accountants LLP  
Firm Registration Number: (FRN 012754N/N500016)



Sunit Kumar Basu  
Partner  
Membership Number 55000  
UDIN: 19055000AAAACJ9438

Place: Hyderabad  
Date: August 10, 2019



**DIVI'S LABORATORIES LIMITED**  
**CIN No.L24110TG1990PLC011854**  
**1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli**  
**Hyderabad – 500 032 Telangana, India**  
**Phone: 23786300 email: kishore@divislabs.com**

**PRESS RELEASE dated 10<sup>th</sup> August, 2019**

**Divi's Labs earns a total revenue of Rs. 1193 crores for Q1 of FY20 on consolidated basis**

Divi's Laboratories has earned a total income of Rs. 1193 crores for the 1<sup>st</sup> quarter of the year 2019-20 on a consolidated basis, as against an income of Rs. 1044 crores for the corresponding quarter of last year.

The company earned a Profit before Tax (PBT) of Rs. 373 crores, for the current quarter. PBT for the corresponding quarter of the last year was Rs. 359 crores.

The company earned a Profit after Tax (PAT) of Rs. 272 crores before Other Comprehensive Income, for the current quarter. PAT for the corresponding quarter of the last year was Rs. 268 crores.

Forex loss for the current quarter amounted to Rs. 6 crores as against a gain of Rs. 26 crore during the corresponding quarter of the last year.

The company's Unit-II at village Chippada, Visakhapatnam District, Andhra Pradesh has been inspected by the US-FDA during **June 2019**. This was a general cGMP inspection by the FDA and the inspection was concluded without any observations.