



Divi's Laboratories Limited

Date: 06 June, 2020

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

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

Stock Code: DIVISLAB

Stock Code: 532488

Dear Sir,

Sub: Declaration regarding Audit Reports with unmodified opinion

Ref: Regulation 33(3)(d) of SEBI (LODR) Regulations, 2015

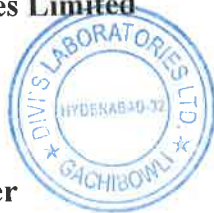
With reference to the above, we hereby declare that the Statutory Auditors of the Company, have issued Audit Reports with Unmodified Opinion on the Audited Standalone and Consolidated Financial results for the year ended 31 March, 2020.

This is for your information and records.

Thanking You,

Yours faithfully,
For Divi's Laboratories Limited

L. Kishore Babu
Chief Financial 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.

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PRESS RELEASE dated 6th June, 2020

Divi's Laboratories Ltd. is completing 30 years of its operation during this year. For the year FY20, the Company earned a Total Revenue of ₹.5584 crores on consolidated basis.

Consolidated results for the year

For the year FY20, Divi's Laboratories has earned a consolidated total revenue of ₹5584 crores as against ₹5102 crores for the previous financial year, reflecting a growth of ~10%.

PBT for FY20 amounted to ₹1819 crores as against a PBT of ₹1855 crores for the previous financial year. Correspondingly PAT for FY20 amounted to ₹1377 crores as against a PAT of ₹1353 crores for the previous financial year.

The company availed tax incentives for new projects set up in backward districts of Andhra Pradesh and Telangana. There was also a reversal of current tax of earlier years amounting to nearly Rs.33.70 crores. These have been reflected in the accounts for the current quarter.

Standalone Results

On a standalone basis, the Company's earnings are given below:

₹. in crores

Particulars	For the Quarter		For the year	
	31-03-20	31-03-19	31-03-20	31-03-19
Total Revenue	1453	1298	5500	5036
PBT	475	410	1813	1833
Tax Expense	83	121	441	501
PAT	392	289	1373	1333



Forex Gain/(loss)

Particulars of forex gain/(loss) for the period are given below:

₹. in crores

Particulars	For the Quarter ended		For the year ended	
	31-03-20	31-03-19	31-03-20	31-03-19
Forex Gain/(loss)	57	(7)	82	31

Dividend

The Board of Directors of the Company has declared and paid an interim dividend of ₹16 per share for the financial year 2019-20. This amounts to 800% of face value. No final dividend is recommended. The total dividend payout for the current year amounted to ₹512.06 crores, including dividend tax.

Regulatory Inspections

The Company has undergone 4 regulatory inspections/audits during FY20 at both its manufacturing plants – three by US-FDA and one by European Directorate - EMA.

Capex projects

It was reported in the previous financial year that the Company would be taking up two brownfield projects with an aggregate investment of ₹1200 crores:

- An SEZ Unit at Unit-II at Visakhapatnam, named DCV SEZ Unit, with an investment of ₹600 crores.
- Another SEZ unit at Unit-I in Bhuvanagiri-Yadadri District, Telangana State, named DC-SEZ with an investment of ₹600 crores.

During the year, we have capitalized assets of ₹876 crores for the new projects as well as for expansion at the existing facilities; and an amount of ₹920 crores is carried forward as Capital Work-in-Progress at the end of the year. The Company commenced commercial production partially during February 2020 from DC-SEZ Unit. The Company also commenced commercial production partially during March 2020 from DCV-SEZ Unit.



Besides these brownfield projects, the Company has also taken up debottlenecking & backward integration programs at Unit-I as well as Unit-II by investing an aggregate amount of ₹300 crores. In addition, a project for augmentation of effluent treatment infrastructure at Unit-II has been taken up at an estimated cost of ₹190 crores.

Some of the backward integration, debottlenecking and utility expansion projects have already come into utilization this year. Rest of these projects are expected to be completed and come into utilization by end of second half of financial year 2020-21. The balance works at the brownfield projects of DC-SEZ and DCV-SEZ are also expected to be completed by second half of financial year 2020-21.

There has been some delay in implementing the large capex projects taken by the Company due to torrential rains and COVID-19 which impacted movement of people and goods.

CSR

We have significantly stepped up CSR Expenditure during FY20 which amounted to ₹50 crores towards promoting education, improving public health, rural development, empowering women, providing safe drinking water, environmental sustainability, etc. In addition, the Company has also undertaken multiple activities in order to support the containment of the COVID-19 pandemic. The Company co-ordinated with the local government and provided food, daily provisions to quarantine centres and protection items to local community as well as government officials. Furthermore a contribution of ₹10 crores has been made to the Chief Ministers' Relief Fund. - as part of CSR initiatives.

