



# Divi's Laboratories Limited

05 November, 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: Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended 30 September, 2019**

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

Further to our intimation dated 25 October, 2019, we would like to inform that the Board of Directors of the Company at its meeting held on 05 November, 2019 has, inter alia, approved the Unaudited Financial Results for the quarter and half year ended 30 September, 2019.

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

1. Unaudited Standalone Financial Results for the quarter and half year ended 30 September, 2019 along with Limited Review Report of the Statutory Auditors thereon.
2. Unaudited Consolidated Financial Results for quarter and half year ended 30 September, 2019 along with Limited Review Report of the Statutory Auditors thereon.
3. Press Release on the said Financial Results of the Company.

The Board meeting commenced at 16.15 Hrs and concluded at 17.45 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.

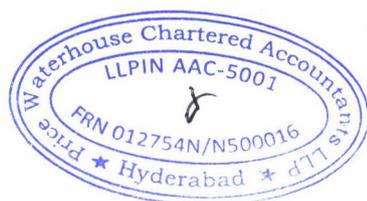
Tel : 91-40-2378 6300, Fax : 91-40-2378 6460, CIN : L24110TG1990PLC011854

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

**DIVI'S LABORATORIES LIMITED**  
**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE**  
**QUARTER AND HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2019**

(Rs. In Lakhs)

| S No | Particulars   | Quarter ended |               |               | Half Year ended |               | Year ended    |
|------|---|---------------|---------------|---------------|-----------------|---------------|---------------|
|      |   | 30.09.2019    | 30.06.2019    | 30.09.2018    | 30.09.2019      | 30.09.2018    | 31.03.2019    |
|      |   | (Unaudited)   | (Unaudited)   | (Unaudited)   | (Unaudited)     | (Unaudited)   | (Audited)     |
| 1    | <b>Income:</b>  |               |               |               |                 |               |               |
|      | a) Revenue from operations  | 140392        | 113992        | 128500        | 254384          | 228031        | 487966        |
|      | b) Other Income   | 4736          | 3163          | 8005          | 7303            | 12884         | 15658         |
|      | <b>Total Revenue from Operations</b>  | <b>145128</b> | <b>117155</b> | <b>136505</b> | <b>261687</b>   | <b>240915</b> | <b>503624</b> |
| 2    | <b>Expenses</b>   |               |               |               |                 |               |               |
|      | a) Cost of materials consumed   | 60699         | 50398         | 55563         | 111097          | 95330         | 208205        |
|      | b) Purchases of stock-in-trade  | -             | -             | -             | -               | -             | -             |
|      | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade      | (2956)        | (5025)        | (8239)        | (7981)          | (9862)        | (24422)       |
|      | d) Employee benefits expense  | 14758         | 13795         | 13466         | 28553           | 25599         | 53072         |
|      | e) Depreciation and amortization expense  | 4591          | 4381          | 4239          | 8972            | 8399          | 16881         |
|      | f) Finance Costs  | 379           | 32            | 24            | 411             | 88            | 350           |
|      | g) Other Expenses   | 19355         | 16963         | 16297         | 35722           | 30365         | 66215         |
|      | <b>Total expenses</b>   | <b>96826</b>  | <b>80544</b>  | <b>81350</b>  | <b>176774</b>   | <b>149919</b> | <b>320301</b> |
| 3    | <b>Profit before exceptional Items and tax (1-2)</b>                                  | <b>48302</b>  | <b>36611</b>  | <b>55155</b>  | <b>84913</b>    | <b>90996</b>  | <b>183323</b> |
| 4    | Exceptional items   | -             | -             | -             | -               | -             | -             |
| 5    | <b>Profit before Tax (3-4)</b>  | <b>48302</b>  | <b>36611</b>  | <b>55155</b>  | <b>84913</b>    | <b>90996</b>  | <b>183323</b> |
| 6    | Tax Expense   |               |               |               |                 |               |               |
|      | a) Current Tax  | 11951         | 9365          | 14761         | 21316           | 23327         | 47245         |
|      | b) Deferred Tax   | 1068          | 511           | 629           | 1579            | 1288          | 2813          |
|      | <b>Total Tax Expense</b>  | <b>13019</b>  | <b>9876</b>   | <b>15390</b>  | <b>22895</b>    | <b>24615</b>  | <b>50058</b>  |
| 7    | <b>Profit for the period (5-6)</b>  | <b>35283</b>  | <b>26735</b>  | <b>39765</b>  | <b>62018</b>    | <b>66381</b>  | <b>133265</b> |
| 8    | Other Comprehensive Income:   |               |               |               |                 |               |               |
|      | Items that will not be reclassified to Profit or Loss:                                |               |               |               |                 |               |               |
|      | - Remeasurement of post-employment benefit obligation                                 | 35            | 40            | 23            | 75              | 47            | 141           |
|      | Income Tax relating to the above  | (9)           | (10)          | (6)           | (19)            | (13)          | (36)          |
|      | Total other comprehensive Income  | 26            | 30            | 17            | 56              | 34            | 105           |
| 9    | <b>Total comprehensive Income for the period (7+8)</b>                                | <b>35309</b>  | <b>26765</b>  | <b>39782</b>  | <b>62074</b>    | <b>66415</b>  | <b>133370</b> |
| 10   | Paid-up Equity Share Capital (Face Value Rs.2 per share)                              | 5309          | 5309          | 5309          | 5309            | 5309          | 5309          |
| 11   | Other Equity excluding revaluation reserve  |               |               |               |                 |               | 692022        |
| 12   | <b>Earnings per share for continuing operations (of Rs.2/- each) (not annualised)</b> |               |               |               |                 |               |               |
|      | a) Basic (Rs.)  | 13.29         | 10.07         | 14.98         | 23.36           | 25.01         | 50.20         |
|      | b) Diluted (Rs.)  | 13.29         | 10.07         | 14.98         | 23.36           | 25.01         | 50.20         |



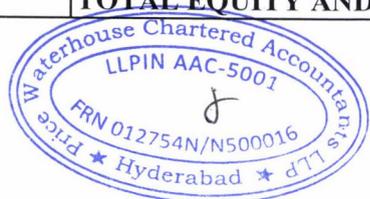
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**DIVI'S LABORATORIES LIMITED**  
**STATEMENT OF STANDALONE UNAUDITED ASSETS AND LIABILITIES**  
**AS AT 30<sup>th</sup> SEPTEMBER, 2019**

(Rs. In Lakhs)

| S. No.   | Particulars  | As At         |               |
|----------|--|---------------|---------------|
|          |  | 30.09.2019    | 31.03.2019    |
|          |  | (Unaudited)   | (Audited)     |
| <b>A</b> | <b>ASSETS</b>                                      |               |               |
| <b>1</b> | <b>Non-current assets</b>                          |               |               |
|          | Property, plant and equipment                      | 219732        | 208339        |
|          | Capital work-in-progress                           | 93957         | 49191         |
|          | Intangible assets                                  | 359           | 405           |
|          | Financial assets                                   |               |               |
|          | Investments  | 68974         | 55462         |
|          | Loans  | 3757          | 3404          |
|          | Income Tax Assets (net)                            | 1928          | 1928          |
|          | Other non-current assets                           | 17522         | 20540         |
|          | <b>Sub-total: Non-current assets</b>               | <b>406229</b> | <b>339269</b> |
| <b>2</b> | <b>Current assets</b>                              |               |               |
|          | Inventories  | 180380        | 166318        |
|          | Financial assets                                   |               |               |
|          | Investments  | 45233         | 139834        |
|          | Trade receivables                                  | 132045        | 128224        |
|          | Cash and cash equivalents                          | 3020          | 294           |
|          | Bank balances other than Cash and cash equivalents | 6938          | 10226         |
|          | Loans  | 18            | 11            |
|          | Other financial assets                             | 157           | 135           |
|          | Other current assets                               | 31553         | 19707         |
|          | <b>Sub-total: Current assets</b>                   | <b>399344</b> | <b>464749</b> |
|          | <b>TOTAL ASSETS</b>                                | <b>805573</b> | <b>804018</b> |
| <b>B</b> | <b>EQUITY AND LIABILITIES</b>                      |               |               |
| <b>1</b> | <b>Equity:</b>                                     |               |               |
|          | Share Capital                                      | 5309          | 5309          |
|          | Other Equity                                       | 702890        | 692022        |
|          | <b>Sub-total: Equity</b>                           | <b>708199</b> | <b>697331</b> |
| <b>2</b> | <b>Non-current liabilities</b>                     |               |               |
|          | Provisions   | 1443          | 1317          |
|          | Deferred tax liabilities (net)                     | 23716         | 22118         |
|          | <b>Sub-total: Non-current liabilities</b>          | <b>25159</b>  | <b>23435</b>  |
| <b>3</b> | <b>Current Liabilities</b>                         |               |               |
|          | Financial liabilities                              |               |               |
|          | Borrowings   | 1353          | 10560         |
|          | Trade payables                                     | 51942         | 48331         |
|          | Other financial liabilities                        | 7081          | 6289          |
|          | Provisions   | 111           | 111           |
|          | Current Tax liability (net)                        | 103           | -             |
|          | Other current liabilities                          | 11625         | 17961         |
|          | <b>Sub-total: Current liabilities</b>              | <b>72215</b>  | <b>83252</b>  |
|          | <b>Total Liabilities</b>                           | <b>97374</b>  | <b>106687</b> |
|          | <b>TOTAL EQUITY AND LIABILITIES</b>                | <b>805573</b> | <b>804018</b> |



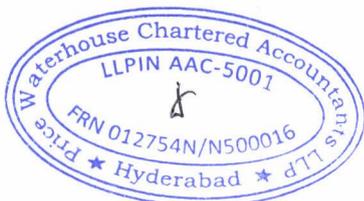
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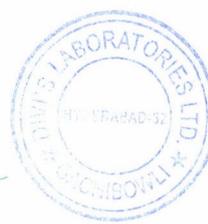
**DIVI'S LABORATORIES LIMITED**  
**STATEMENT OF STANDALONE UNAUDITED CASH FLOWS**  
**FOR THE HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2019**

(Rs.in Lakhs)

| Particulars  | 30.09.2019<br>(Unaudited) | 30.09.2018<br>(Unaudited)<br>(Refer Note 2) |
|--|---------------------------|---|
| <b>A. Cash flow from operating activities</b>                            |                           |   |
| Profit before income tax   | 84913                     | 90996                                       |
| Adjustments for:   |                           |   |
| Depreciation and amortisation expense                                    | 8972                      | 8399  |
| Unrealised foreign exchange gain   | (1758)                    | (2933)                                      |
| Interest Income  | (527)                     | (354)                                       |
| Dividend classified as investing cash flows                              | (2943)                    | (4135)                                      |
| Gain on sale of investments  | (577)                     | (40)  |
| Provision for doubtful debts   | 245                       | 30  |
| Finance costs  | 411                       | 88  |
| Changes in fair value of mutual funds                                    | (2365)                    | (296)                                       |
| Loss on disposal / discard of assets                                     | 233                       | 136   |
| Government grant   | (2)                       | -   |
|  | <b>86602</b>              | <b>91891</b>                                |
| <b>Change in operating assets and liabilities</b>                        |                           |   |
| (Increase) /Decrease in trade receivables                                | (2100)                    | (16007)                                     |
| (Increase) /Decrease in inventories                                      | (14062)                   | (22018)                                     |
| Increase / (Decrease) in trade payables                                  | 3405                      | 12738                                       |
| (Increase) /Decrease in other non-current Loans                          | (353)                     | (46)  |
| (Increase) /Decrease in other non-current assets                         | 1                         | (7)   |
| (Increase) /Decrease in Current Loans and other current financial assets | (29)                      | 2287  |
| (Increase) /Decrease in other current assets                             | (11846)                   | (754)                                       |
| Increase / (Decrease) in long term employee benefit obligation           | 126                       | 145   |
| Increase / (Decrease) in short term employee benefit obligation          | 75                        | 16  |
| Increase / (Decrease) in other financial liabilities                     | (257)                     | (1365)                                      |
| Increase / (Decrease) in other current liabilities                       | (6351)                    | (370)                                       |
| <b>Cash generated from operations</b>                                    | <b>55211</b>              | <b>66510</b>                                |
| Income taxes paid including withholding tax and net of refunds           | (21213)                   | (15420)                                     |
| <b>Net cash inflow from operating activities</b>                         | <b>33998</b>              | <b>51090</b>                                |
| <b>B. Cash flows from investing activities</b>                           |                           |   |
| Payments for property, plant and equipment                               | (61228)                   | (20607)                                     |
| Proceeds from sale of property, plant and equipment                      | -                         | 2   |
| Gain on Sale of investments  | 577                       | 40  |
| Payments for purchase of Investments                                     | (13943)                   | (55635)                                     |
| Proceeds out of sale of Investments                                      | 97397                     | 57455                                       |
| Dividend received  | 2943                      | 4135  |
| Interest on deposit  | 540                       | 231   |
| Investment in deposits   | 3266                      | 218   |
| <b>Net cash inflow / (outflow) from investing activities</b>             | <b>29552</b>              | <b>(14161)</b>                              |



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## DIVI'S LABORATORIES LIMITED

### STATEMENT OF STANDALONE UNAUDITED CASH FLOWS FOR THE HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2019 (contd..)

(Rs. In lakhs)

| Particulars  | 30.09.2019<br>(Unaudited) | 30.09.2018<br>(Unaudited)<br>(Refer Note 2) |
|--|---------------------------|---|
| <b>C. Cash flows from financing activities</b>                                 |                           |   |
| (Repayment) of working capital loans   | (8117)                    | (1148)                                      |
| Interest paid  | (411)                     | (88)  |
| Dividends paid to company's shareholders<br>(Including Corporate Dividend tax) | (51206)                   | (32004)                                     |
| <b>Net cash inflow / (outflow) from financing activities</b>                   | <b>(59734)</b>            | <b>(33240)</b>                              |
| <b>Net increase (decrease) in cash and cash equivalents (A+B+C)</b>            | <b>3816</b>               | <b>3689</b>                                 |
| Cash and cash equivalents at the beginning of the financial year               | (796)                     | (4184)                                      |
| <b>Cash and cash equivalents at end of the year</b>                            | <b>3020</b>               | <b>(495)</b>                                |

#### NOTES:

- The above Statement of standalone unaudited financial results for the quarter and half year ended 30<sup>th</sup> September, 2019, Statement of standalone unaudited assets and liabilities as at 30<sup>th</sup> September, 2019 and Statement of standalone unaudited cash flows for the half year ended 30<sup>th</sup> September, 2019 ('Standalone Statements') are 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 as amended. The same were, as reviewed by the Audit Committee, considered and approved by the Board of Directors at its meeting held on 5<sup>th</sup> November, 2019. The same also were subjected to 'limited review' by the Auditors of the Company and their report contains no qualification.
- The comparative figures of cash flows for the half year ended 30<sup>th</sup> September, 2018 included in the above referred Standalone Statements were as reviewed by the Audit Committee and approved by the Board of Directors only and have not been subjected to review by the Auditors as the mandatory requirement of limited review of cash flows has been made applicable for the period beginning from 1<sup>st</sup> April 2019 pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- 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.
- The Company does not have any discontinued operations and the Profit for the period represents the Profits from continuing operations only.
- As approved by the Members of the Company at the 29<sup>th</sup> Annual General Meeting held on 23<sup>rd</sup> August, 2019, a dividend of Rs. 16/- per equity share of Rs.2/- each for the year ended 31<sup>st</sup> March, 2019, aggregating to Rs 42475 lakhs, has been paid on 27<sup>th</sup> August, 2019.
- The Ministry of Corporate Affairs (MCA), on 30<sup>th</sup> March, 2019, notified Ind AS 116 "Leases" as part of the Companies (Indian 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.
- Details of forex gain/(loss) are as given below:

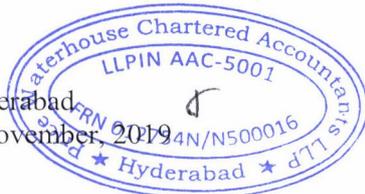
(Rs. in Lakhs)

|                          | Quarter ended |            |            | Half Year ended |            | Year ended |
|--------------------------|---------------|------------|------------|-----------------|------------|------------|
|                          | 30.09.2019    | 30.06.2019 | 30.09.2018 | 30.09.2019      | 30.09.2018 | 31.03.2019 |
| <b>Forex gain/(loss)</b> | <b>1294</b>   | (596)      | 5278       | <b>698</b>      | 7947       | 3092       |

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

- Figures for the previous year/period have been reclassified/ regrouped wherever necessary to conform to current year's classification.

Place: Hyderabad  
Date: 5<sup>th</sup> November, 2019



For Divi's Laboratories Limited

Dr. Murali K. Divi  
Chairman & Managing Director

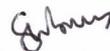


# Price Waterhouse Chartered Accountants LLP

The Board of Directors  
M/s. Divi's Laboratories Limited  
Divi's 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 September 30, 2019 and the year to date results for the period April 01, 2019 to September 30, 2019 which are included in the accompanying "Statement of Standalone Unaudited financial results for the quarter and half year ended September 30, 2019", the "Statement of Standalone Unaudited assets and liabilities as on September 30, 2019" and the "Statement of Standalone Unaudited cash flows for the half-year ended September 30, 2019" together with the notes thereon (the "Standalone Statement"). The Standalone Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. Attention is drawn to the fact that the Statement of Standalone Unaudited cash flows for the corresponding period from April 01, 2018 to September 30, 2018, as reported in the Standalone Statement has been approved by the Board of Directors, but has not been subjected to review. The Standalone 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 Standalone 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 Standalone 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 Standalone 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



Sunit Kumar Basu  
Partner  
Membership Number 55000  
UDIN: 19055000AAAAE01154

Place: Hyderabad  
Date: November 05, 2019

Price Waterhouse Chartered Accountants LLP, Plot No. 77/A, 8-2-624/A/1, 3rd Floor, Road No. 10, Banjara Hills  
Hyderabad - 500 034  
T: +91 (40) 4424 6000, F: +91 (40) 4424 6300

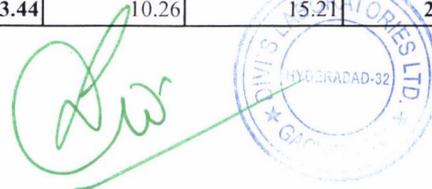
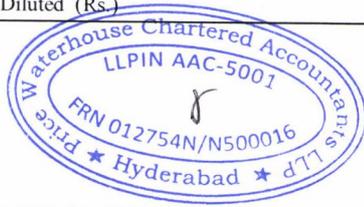
Registered office and Head office: Sucheta Bhawan, 11A Vishnu Digambar Marg, New Delhi 110 002

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 CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE**  
**QUARTER AND HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2019**

(Rs. In Lakhs)

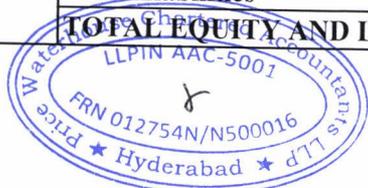
| S. No | Particulars   | Quarter ended |               |                               | Half Year ended |                               | Year ended    |
|-------|---|---------------|---------------|-------------------------------|-----------------|-------------------------------|---------------|
|       |   | 30.09.2019    | 30.06.2019    | 30.09.2018                    | 30.09.2019      | 30.09.2018                    | 31.03.2019    |
|       |   | (Unaudited)   | (Unaudited)   | (Unaudited)<br>(Refer Note.2) | (Unaudited)     | (Unaudited)<br>(Refer Note.2) | (Audited)     |
| 1     | <b>Income:</b>  |               |               |                               |                 |                               |               |
|       | a) Revenue from operations  | 144557        | 116288        | 132393                        | 260845          | 231917                        | 494626        |
|       | b) Other Income   | 4703          | 3032          | 8043                          | 7123            | 12897                         | 15563         |
|       | <b>Total Revenue from Operations</b>  | <b>149260</b> | <b>119320</b> | <b>140436</b>                 | <b>267968</b>   | <b>244814</b>                 | <b>510189</b> |
| 2     | <b>Expenses</b>   |               |               |                               |                 |                               |               |
|       | a) Cost of materials consumed   | 61286         | 50992         | 55910                         | 112278          | 96219                         | 210389        |
|       | b) Purchases of stock-in-trade  | 184           | 123           | 465                           | 307             | 2315                          | 2592          |
|       | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade      | (2104)        | (5882)        | (7155)                        | (7986)          | (12429)                       | (30459)       |
|       | d) Employee benefits expense  | 15057         | 14086         | 13758                         | 29143           | 26152                         | 54227         |
|       | e) Depreciation and amortization expense  | 4593          | 4383          | 4241                          | 8976            | 8403                          | 16890         |
|       | f) Finance Costs  | 379           | 32            | 24                            | 411             | 88                            | 350           |
|       | g) Other Expenses   | 21078         | 18255         | 17266                         | 38721           | 32264                         | 70693         |
|       | <b>Total expenses</b>   | <b>100473</b> | <b>81989</b>  | <b>84509</b>                  | <b>181850</b>   | <b>153012</b>                 | <b>324682</b> |
| 3     | <b>Profit before exceptional Items and tax (1-2)</b>                                  | <b>48787</b>  | <b>37331</b>  | <b>55927</b>                  | <b>86118</b>    | <b>91802</b>                  | <b>185507</b> |
| 4     | Exceptional items   | -             | -             | -                             | -               | -                             | -             |
| 5     | <b>Profit before Tax (3-4)</b>  | <b>48787</b>  | <b>37331</b>  | <b>55927</b>                  | <b>86118</b>    | <b>91802</b>                  | <b>185507</b> |
| 6     | Tax Expense   |               |               |                               |                 |                               |               |
|       | a) Current Tax  | 12092         | 9568          | 14766                         | 21660           | 23327                         | 47551         |
|       | b) Deferred Tax   | 1017          | 519           | 789                           | 1536            | 1336                          | 2682          |
|       | <b>Total Tax Expense</b>  | <b>13109</b>  | <b>10087</b>  | <b>15555</b>                  | <b>23196</b>    | <b>24663</b>                  | <b>50233</b>  |
| 7     | <b>Profit for the period (5-6)</b>  | <b>35678</b>  | <b>27244</b>  | <b>40372</b>                  | <b>62922</b>    | <b>67139</b>                  | <b>135274</b> |
| 8     | Profit for the period attributable to:  |               |               |                               |                 |                               |               |
|       | Shareholders of the Company   | 35678         | 27244         | 40372                         | 62922           | 67139                         | 135274        |
|       | Non-Controlling Interest  | -             | -             | -                             | -               | -                             | -             |
| 9     | Other Comprehensive Income:   |               |               |                               |                 |                               |               |
|       | a) Items that will not be reclassified to Profit or Loss                              |               |               |                               |                 |                               |               |
|       | i) Remeasurement of post- employment benefit obligations                              | 35            | 40            | 23                            | 75              | 47                            | 141           |
|       | ii) Income tax relating to the above  | (9)           | (10)          | (6)                           | (19)            | (13)                          | (36)          |
|       | b) Items that will be classified to Profit or Loss:                                   |               |               |                               |                 |                               |               |
|       | i) Exchange differences in translating the financial statements of foreign operations | 305           | **            | (66)                          | 305             | (132)                         | (140)         |
|       | ii) Income tax relating to the above  | (37)          | -             | -                             | (37)            | -                             | -             |
|       | Total other comprehensive Income (a+b)  | 294           | 30            | (49)                          | 324             | (98)                          | (35)          |
| 10    | Total other comprehensive income for the period attributable to:                      |               |               |                               |                 |                               |               |
|       | Shareholders of the Company   | 294           | 30            | (49)                          | 324             | (98)                          | (35)          |
|       | Non-Controlling Interest  | -             | -             | -                             | -               | -                             | -             |
| 11    | <b>Total comprehensive Income for the period (7+9)</b>                                | <b>35972</b>  | <b>27274</b>  | <b>40323</b>                  | <b>63246</b>    | <b>67041</b>                  | <b>135239</b> |
| 12    | Total comprehensive income for the period attributable to:                            |               |               |                               |                 |                               |               |
|       | Shareholders of the Company   | 35972         | 27274         | 40323                         | 63246           | 67041                         | 135239        |
|       | Non-Controlling Interest  | -             | -             | -                             | -               | -                             | -             |
| 13    | Paid-up Equity Share Capital (Face Value Rs.2 per share)                              | 5309          | 5309          | 5309                          | 5309            | 5309                          | 5309          |
| 14    | Other Equity excluding revaluation reserve  |               |               |                               |                 |                               | 690406        |
| 15    | <b>Earnings per share for continuing operations (of Rs.2/- each) (not annualised)</b> |               |               |                               |                 |                               |               |
|       | a) Basic (Rs.)  | 13.44         | 10.26         | 15.21                         | 23.70           | 25.29                         | 50.96         |
|       | b) Diluted (Rs.)  | 13.44         | 10.26         | 15.21                         | 23.70           | 25.29                         | 50.96         |



**DIVI'S LABORATORIES LIMITED**  
**STATEMENT OF CONSOLIDATED UNAUDITED ASSETS AND LIABILITIES**  
**AS AT 30<sup>th</sup> SEPTEMBER, 2019**

(Rs. In Lakhs)

| S. No.   | Particulars  | As At         |               |
|----------|--|---------------|---------------|
|          |  | 30.09.2019    | 31.03.2019    |
|          |  | (Unaudited)   | (Audited)     |
| <b>A</b> | <b>ASSETS</b>                                      |               |               |
| <b>1</b> | <b>Non-current assets</b>                          |               |               |
|          | Property, plant and equipment                      | 219762        | 208372        |
|          | Capital work-in-progress                           | 93957         | 49191         |
|          | Intangible assets                                  | 359           | 405           |
|          | Financial assets                                   |               |               |
|          | Investments  | 68238         | 54726         |
|          | Loans  | 3757          | 3404          |
|          | Income Tax Assets (net)                            | 1928          | 1928          |
|          | Deferred Tax Assets                                | 241           | 234           |
|          | Other non-current assets                           | 17542         | 20560         |
|          | <b>Sub-total: Non-current assets</b>               | <b>405784</b> | <b>338820</b> |
| <b>2</b> | <b>Current assets</b>                              |               |               |
|          | Inventories  | 190956        | 177234        |
|          | Financial assets                                   |               |               |
|          | Investments  | 45233         | 139834        |
|          | Trade receivables                                  | 120517        | 116337        |
|          | Cash and cash equivalents                          | 5531          | 1300          |
|          | Bank balances other than Cash and cash equivalents | 6938          | 10226         |
|          | Loans  | 18            | 11            |
|          | Other financial assets                             | 156           | 135           |
|          | Other current assets                               | 31938         | 19928         |
|          | <b>Sub-total: Current assets</b>                   | <b>401287</b> | <b>465005</b> |
|          | <b>TOTAL ASSETS</b>                                | <b>807071</b> | <b>803825</b> |
| <b>B</b> | <b>EQUITY AND LIABILITIES</b>                      |               |               |
| <b>1</b> | <b>Equity:</b>                                     |               |               |
|          | Share Capital                                      | 5309          | 5309          |
|          | Other Equity                                       | 702446        | 690406        |
|          | <b>Sub-total: Equity</b>                           | <b>707755</b> | <b>695715</b> |
| <b>2</b> | <b>Non-current liabilities</b>                     |               |               |
|          | Provisions   | 1443          | 1317          |
|          | Deferred tax liabilities (net)                     | 23716         | 22118         |
|          | <b>Sub-total: Non-current liabilities</b>          | <b>25159</b>  | <b>23435</b>  |
| <b>3</b> | <b>Current Liabilities</b>                         |               |               |
|          | Financial liabilities                              |               |               |
|          | Borrowings   | 1353          | 10560         |
|          | Trade payables                                     | 53046         | 49226         |
|          | Other financial liabilities                        | 7081          | 6289          |
|          | Provisions   | 111           | 111           |
|          | Current Tax Liabilities (net)                      | 878           | 419           |
|          | Other current liabilities                          | 11688         | 18070         |
|          | <b>Sub-total: Current liabilities</b>              | <b>74157</b>  | <b>84675</b>  |
|          | <b>Total Liabilities</b>                           | <b>99316</b>  | <b>108110</b> |
|          | <b>TOTAL EQUITY AND LIABILITIES</b>                | <b>807071</b> | <b>803825</b> |



*(Handwritten Signature)*



**DIVI'S LABORATORIES LIMITED**  
**STATEMENT OF CONSOLIDATED UNAUDITED CASH FLOWS**  
**FOR THE HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2019**

(Rs. in Lakhs)

| Particulars  | 30.09.2019<br>(Unaudited) | 30.09.2018<br>(Unaudited)<br>(Refer Note 2) |
|--|---------------------------|---|
| <b>A. Cash flow from operating activities</b>                            |                           |   |
| Profit before income tax   | 86118                     | 91802                                       |
| Adjustments for:   |                           |   |
| Depreciation and amortisation expense                                    | 8976                      | 8403  |
| Unrealised foreign exchange Gain   | (1486)                    | (1240)                                      |
| Interest Income  | (340)                     | (354)                                       |
| Dividend classified as investing cash flows                              | (2943)                    | (4135)                                      |
| Gain on sale of investments  | (577)                     | (40)  |
| Provision for doubtful debts   | 245                       | 30  |
| Finance costs  | 411                       | 88  |
| Changes in fair value of mutual funds                                    | (2365)                    | (296)                                       |
| Loss on disposal / discard of assets                                     | 233                       | 136   |
| Government grant   | (2)                       | -   |
|  | <b>88270</b>              | <b>94394</b>                                |
| <b>Change in operating assets and liabilities</b>                        |                           |   |
| (Increase) /Decrease in trade receivables                                | (2732)                    | (15254)                                     |
| (Increase) /Decrease in inventories                                      | (13722)                   | (23182)                                     |
| Increase / (Decrease) in trade payables                                  | 3613                      | 12811                                       |
| (Increase) /Decrease in other non-current Loans                          | (353)                     | (49)  |
| (Increase) /Decrease in other non-current assets                         | 1                         | 263   |
| (Increase) /Decrease in Current Loans and other current financial assets | (28)                      | 819   |
| (Increase) /Decrease in other current assets                             | (12010)                   | (857)                                       |
| Increase / (Decrease) in long term employee benefit obligation           | 126                       | 145   |
| Increase / (Decrease) in short term employee benefit obligation          | 380                       | (18)  |
| Increase / (Decrease) in other financial liabilities                     | (257)                     | (1365)                                      |
| Increase / (Decrease) in other current liabilities                       | (6397)                    | (516)                                       |
| <b>Cash generated from operations</b>                                    | <b>56891</b>              | <b>67191</b>                                |
| Income taxes paid including withholding tax and net of refunds           | (21201)                   | (15694)                                     |
| <b>Net cash inflow from operating activities</b>                         | <b>35690</b>              | <b>51497</b>                                |
| <b>B. Cash flows from investing activities</b>                           |                           |   |
| Payments for property, plant and equipment                               | (61229)                   | (20613)                                     |
| Proceeds from sale of property, plant and equipment                      | -                         | 2   |
| Gain on Sale of investments  | 577                       | 40  |
| Payments for purchase of Investments                                     | (13943)                   | (55635)                                     |
| Proceeds out of sale of Investments                                      | 97398                     | 57455                                       |
| Dividend received  | 2943                      | 4135  |
| Interest received  | 353                       | 231   |
| Investment in deposits   | 3266                      | 218   |
| <b>Net cash inflow / (outflow) from investing activities</b>             | <b>29365</b>              | <b>(14167)</b>                              |



**DIVI'S LABORATORIES LIMITED**

**STATEMENT OF CONSOLIDATED UNAUDITED CASH FLOWS  
FOR THE HALF YEAR ENDED 30<sup>th</sup> SEPTEMBER, 2019 (contd..)**

(Rs. in Lakhs)

| Particulars  | 30.09.2019<br>(Unaudited) | 30.09.2018<br>(Unaudited)<br>(Refer Note 2) |
|--|---------------------------|---|
| <b>C. Cash flows from financing activities</b>                                 |                           |   |
| Proceeds from working capital loans  | (8117)                    | (1148)                                      |
| Interest paid  | (411)                     | (88)  |
| Dividends paid to company's shareholders<br>(Including Corporate Dividend tax) | (51206)                   | (32004)                                     |
| <b>Net cash inflow / (outflow) from financing activities</b>                   | <b>(59734)</b>            | <b>(33240)</b>                              |
| <b>Net increase in cash and cash equivalents (A+B+C)</b>                       | <b>5321</b>               | <b>4090</b>                                 |
| Cash and cash equivalents at the beginning of the financial year               | 210                       | (2086)                                      |
| <b>Cash and cash equivalents at end of the year</b>                            | <b>5531</b>               | <b>2004</b>                                 |

**NOTES:**

- The above Statement of consolidated unaudited financial results for the quarter and half year ended 30<sup>th</sup> September 2019, Statement of consolidated unaudited assets and liabilities as at 30<sup>th</sup> September, 2019 and Statement of consolidated unaudited cash flows for the half year ended 30<sup>th</sup> September, 2019 ('Consolidated Statements') are 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 as amended. The same were, as reviewed by the Audit Committee, considered and approved by the Board of Directors at its meeting held on 5<sup>th</sup> November, 2019. The same also were subjected to 'limited review' by the Auditors of the Company and their report contains no qualification.
- The comparative figures of financial results for the quarter and half year ended 30<sup>th</sup> September, 2018 and Cash Flows for the half year ended 30<sup>th</sup> September, 2018 included in the above referred Consolidated Statements were as reviewed by the Audit Committee and approved by the Board of Directors only and have not been subjected to review by the Auditors as the mandatory requirement of limited review of consolidated unaudited financial results and consolidated unaudited cash flows has been made applicable for the period beginning from 1<sup>st</sup> April, 2019 pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- The consolidated statements include the financial results of Divi's Laboratories Limited and its two subsidiaries Divis Laboratories (USA) Inc. and Divi's Laboratories Europe AG.
- The group is engaged in the manufacture of Active Pharmaceutical Ingredients, intermediates and nutraceutical ingredients; and the same constitutes single reportable business segment as per Ind AS 108.
- The Company does not have any discontinued operations and the Profit for the period represents the Profits from continuing operations only.
- The Ministry of Corporate Affairs (MCA), on 30<sup>th</sup> March, 2019, notified Ind AS 116 "Leases" as part of the Companies (Indian 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.
- Details of forex gain/(loss) are as given below:

(Rs.in Lakhs)

|                          | Quarter ended |            |            | Half Year ended |            | Year ended |
|--------------------------|---------------|------------|------------|-----------------|------------|------------|
|                          | 30.09.2019    | 30.06.2019 | 30.09.2018 | 30.09.2019      | 30.09.2018 | 31.03.2019 |
| <b>Forex gain/(loss)</b> | <b>1317</b>   | (612)      | 5316       | <b>705</b>      | 7947       | 3086       |

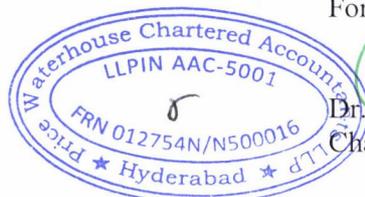
Forex gain has been included in Other Income and loss has been included in Other Expenses

- \*\* Amount is below the rounding off norm adopted by the group.
- Figures for the previous year/period have been reclassified/regrouped wherever necessary to conform to current year's classification.

For Divi's Laboratories Limited

Dr. Murali K. Divi  
Chairman & Managing Director

Place: Hyderabad  
Date: 5<sup>th</sup> November, 2019



# Price Waterhouse Chartered Accountants LLP

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

1. We have reviewed the consolidated unaudited financial results of Divi's Laboratories Limited (the "Parent") and its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group"), [(refer Note 3 to the Consolidated Statement)] for the quarter ended September 30, 2019 and the year to date results for the period April 01, 2019 to September 30, 2019 which are included in the accompanying "Statement of Consolidated Unaudited financial results for the quarter and half year ended September 30, 2019" the "Statement of Consolidated Unaudited assets and liabilities as on September 30, 2019" and the "Statement of Consolidated Unaudited cash flows for the half-year ended September 30, 2019" together with notes thereon (the "Consolidated Statement"). The Consolidated 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 (the "Listing Regulations"), which has been initialled by us for identification purposes. Attention is drawn to the fact that the consolidated figures for the unaudited financial results for corresponding quarter ended September 30, 2018, the corresponding period from April 01, 2018 to September 30, 2018 and consolidated figures for the Statement of Cash flows for the period from April 01, 2018 to September 30, 2018, 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 Consolidated Statement, which is the responsibility of the Parent's Management and has been 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 Consolidated Statement based on our review.
3. We conducted our review of the Consolidated 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 Consolidated 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.



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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)

## Price Waterhouse Chartered Accountants LLP

4. The Consolidated Statement includes the results of the following subsidiaries:
  - a. Divis Laboratories (USA) Inc.
  - b. Divi's Laboratories Europe AG
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 Consolidated 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 Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The unaudited consolidated financial results includes the interim financial results / financial information of 2 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total assets of Rs. 24,902 lakhs and net assets of Rs. 1,611 lakhs as at September 30, 2019 and total revenue of Rs. 9,613 lakhs and Rs. 17,869 lakhs, total net profit after tax of Rs. 632 lakhs and Rs. 1,115 lakhs and total comprehensive income of Rs. 901 lakhs and Rs. 1,384 lakhs respectively for the quarter ended September 30, 2019 and for the period from April 01, 2019 to September 30, 2019 and net cash inflows of Rs. 1,505 lakhs for the period from April 01, 2019 to September 30, 2019, as considered in the unaudited consolidated 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 Consolidated 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: 19055000AAAEN5241

Place: Hyderabad  
Date: November 05, 2019

# **DIVI'S LABORATORIES LIMITED**

**CIN No.L24110TG1990PLC011854**

**1-72/23(P)/DIVIS/303, Cyber Hills, Gachibowli**

**Hyderabad – 500 032 Telangana, India**

**Phone: 91-40-23786300 email: cs@divislabs.com**

**Press Release dated 5<sup>th</sup> November, 2019**

**Divi's Labs earns a PAT of ₹ 357 crores for Q2 of FY20 on consolidated basis**

## **Consolidated Results**

Divi's Laboratories has earned a consolidated total revenue of ₹ 1493 crores for quarter ended 30<sup>th</sup> September, 2019 as against a consolidated total revenue of ₹ 1404 crores in the corresponding quarter of the previous year. Profit after Tax (PAT) for the current quarter came to ₹ 357 crores as against a PAT of ₹ 404 crores for the corresponding quarter of last year.

Forex gain for the current quarter amounted to ₹ 13 crores as against a gain of ₹ 53 crores during the corresponding quarter of last year.

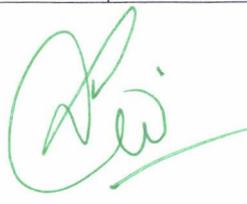
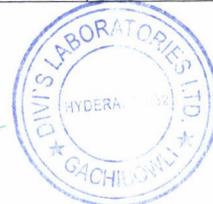
For the half-year ended 30<sup>th</sup> September, 2019, the Company earned a consolidated total income of ₹ 2680 crores as against a consolidated total income of ₹ 2448 crores during the previous half-year. PAT for the current half-year came to ₹ 629 crores as against ₹ 671 crores for the previous half-year. Forex gain for the current half-year amounted to ₹ 7 crores as against a gain of ₹ 79 crores during the corresponding period last year.

## **Standalone Results**

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

(₹ in crores)

| Particulars   | For the Quarter ended |          | For the half year ended |          |
|---------------|-----------------------|----------|-------------------------|----------|
|               | <b>30-09-19</b>       | 30-09-18 | <b>30-09-19</b>         | 30-09-18 |
| Total Revenue | <b>1451</b>           | 1365     | <b>2617</b>             | 2409     |
| PBT           | <b>483</b>            | 552      | <b>849</b>              | 910      |
| PAT           | <b>353</b>            | 398      | <b>620</b>              | 664      |

## Forex Gain/(loss)

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

(₹ in crores)

| Particulars | For the Quarter ended |          | For the half year ended |          |
|-------------|-----------------------|----------|-------------------------|----------|
|             | <b>30-09-19</b>       | 30-09-18 | <b>30-09-19</b>         | 30-09-18 |
| Forex gain  | <b>13</b>             | 53       | <b>7</b>                | 79       |

## Capex Programs

Company's capex programs at DC-SEZ near Hyderabad and DCV-SEZ near Visakhapatnam are going as per schedule and major part of these projects are expected to be completed by end of the year 2019-20.

