



Divi's Laboratories Limited

05 February, 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/ Madam,

Sub: Outcome of Board Meeting held on 05 February, 2020

We would like to inform that the Board of Directors of the Company at its meeting held on 05 February, 2020 has, inter alia, approved the Unaudited Financial Results for the quarter and nine months ended 31 December, 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 nine months ended 31 December, 2019 along with Limited Review Report of the Statutory Auditors thereon.
2. Unaudited Consolidated Financial Results for quarter and nine months ended 31 December, 2019 along with Limited Review Report of the Statutory Auditors thereon.
3. Press Release on the said Financial Results of the Company and other information.

The Board also noted that the Company has commenced commercial operations effective from 05 February, 2020 from a part of the DC-SEZ Unit at village Lingojugudem, Choutuppal Mandal, Bhuvangiri Yadadri Dist., Telangana State.

The Board meeting commenced at 16.00 Hrs and concluded at 19.10 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.

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DIVI'S LABORATORIES LIMITED
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019

(Rs.in lakhs)

S. No.	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income:						
	Revenue from operations	139049	140392	134292	393433	362323	487966
	Other Income	4031	4736	3456	11334	12228	15658
	Total Income	143080	145128	137748	404767	374551	503624
2	Expenses						
	a) Cost of materials consumed	52945	60699	55157	164042	150487	208205
	b) Purchases of stock-in-trade	-	-	-	-	-	-
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1807	(2956)	(7138)	(6174)	(17000)	(24422)
	d) Employee benefits expense	15310	14758	13645	43863	39244	53072
	e) Depreciation and amortization expense	4669	4591	4248	13641	12647	16881
	f) Finance Costs	155	379	252	566	340	350
	g) Other Expenses	19300	19355	20295	55022	46548	66215
	Total expenses	94186	96826	86459	270960	232266	320301
3	Profit before exceptional Items and tax (1-2)	48894	48302	51289	133807	142285	183323
4	Exceptional items	-	-	-	-	-	-
5	Profit before Tax (3-4)	48894	48302	51289	133807	142285	183323
6	Tax Expense						
	a) Current Tax	12154	11951	12994	33470	36321	47245
	b) Deferred Tax	667	1068	346	2246	1634	2813
	Total Tax Expense	12821	13019	13340	35716	37955	50058
7	Profit for the Period (5-6)	36073	35283	37949	98091	104330	133265
8	Other Comprehensive Income:						
	a) Items that will not be reclassified to Profit or Loss:						
	(i) Remeasurement of post-employment benefit obligation	25	35	23	100	70	141
	(ii) Income Tax relating to the above	(7)	(9)	(7)	(26)	(20)	(36)
	Total other comprehensive Income(i-ii)	18	26	16	74	50	105
9	Total comprehensive Income for the period ((7+8)	36091	35309	37965	98165	104380	133370
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	Earnings per Share for continuing operations (of Rs.2/- each) (not annualized)						
	a) Basic (Rs.)	13.59	13.29	14.29	36.95	39.30	50.20
	b) Diluted (Rs.)	13.59	13.29	14.29	36.95	39.30	50.20

NOTES:

1. The above Statement of standalone unaudited financial results for the quarter and nine months ended 31st December, 2019 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 5th February, 2020. The same were also subjected to "limited review" by the Auditors of the Company and their report contains no qualification.

2. The Company is engaged in the manufacture of Active Pharmaceutical Ingredients, intermediates and pharmaceutical ingredients; and the same constitutes a single reportable business segment as per Ind AS 108.



3. The Company does not have any discontinued operations and the Profit for the period represents the Profits from continuing operations only.
4. The Ministry of Corporate Affairs (MCA), on 30th 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 1st April, 2019. The adoption of the standard did not have any material impact to the financial results of the Company.
5. Details of forex gain/(loss) are as given below:

(Rs. in Lakhs)

	Quarter ended			Nine-months ended		Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
Forex gain/(loss)	1790	1294	(4112)	2488	3835	3092

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

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

Place: Hyderabad
Date: 5th February, 2020



For Divi's Laboratories Limited

Dr. Murali K. Divi
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 unaudited financial results of Divi's Laboratories Limited (the "Company") for the quarter ended December 31, 2019 and the year to date results for the period April 01, 2019 to December 31, 2019 which are included in the accompanying Statement of Standalone Unaudited financial results for the quarter and nine months ended December 31, 2019 (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. 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 01275N/N500016


Sunit Kumar Basu
Partner
Membership Number 55000
UDIN: 20055000AAAAAJ7413

Place: Hyderabad
Date: February 05, 2020

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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 CONSOLIDATED UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2019**

(Rs. in lakhs)

S. No	Particulars	Quarter ended			Nine Months ended		Year ended
		31.12.2019 (Unaudited)	30.09.2019 (Unaudited)	31.12.2018 (Unaudited)	31.12.2019 (Unaudited)	31.12.2018 (Unaudited)	31.03.2019 (Audited)
1	Income:						
	Revenue from operations	139626	144557	135996	400471	367913	494626
	Other Income	4167	4703	3443	11290	12090	15563
	Total Income	143793	149260	139439	411761	380003	510189
2	Expenses						
	a) Cost of materials consumed	52995	61286	55805	165273	152024	210389
	b) Purchases of stock-in-trade	311	184	28	618	2343	2592
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1408	(2104)	(8457)	(6578)	(20886)	(30459)
	d) Employee benefits expense	15648	15057	13940	44791	40092	54227
	e) Depreciation and amortization expense	4670	4593	4250	13646	12653	16890
	f) Finance Costs	155	379	252	566	340	350
	g) Other Expenses	19874	21078	21393	58595	49407	70693
	Total expenses	95061	100473	87211	276911	235973	324682
3	Profit before exceptional Items and tax (1-2)	48732	48787	52228	134850	144030	185507
4	Exceptional items	-	-	-	-	-	-
5	Profit before Tax (3-4)	48732	48787	52228	134850	144030	185507
6	Tax Expense						
	a) Current Tax	12231	12092	12961	33891	36288	47551
	b) Deferred Tax	592	1017	329	2128	1665	2682
	Total Tax Expense	12823	13109	13290	36019	37953	50233
7	Profit for the period (5-6)	35909	35678	38938	98831	106077	135274
8	Profit for the period attributable to:						
	Shareholders of the Company	35909	35678	38938	98831	106077	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	25	35	23	100	70	141
	ii) Income tax relating to the above	(7)	(9)	(7)	(26)	(20)	(36)
	b) Items that will be reclassified to Profit or Loss:						
	i) Exchange differences in translating the financial statements of a foreign operation	33	305	20	338	(112)	(140)
	ii) Income tax relating to the above	-	(37)	-	(37)	-	-
	Total other comprehensive Income	51	294	36	375	(62)	(35)
10	Total other comprehensive income for the period attributable to:						
	Shareholders of the Company	51	294	36	375	(62)	(35)
	Non-Controlling Interest	-	-	-	-	-	-
11	Total comprehensive Income for the period (7+9)	35960	35972	38974	99206	106015	135239
12	Total comprehensive income for the period attributable to:						



	Shareholders of the Company	35960	35972	38974	99206	106015	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	Earnings per Share for continuing operations (of Rs. 2/- each) (not annualized)						
	a) Basic (Rs.)	13.53	13.44	14.67	37.23	39.96	50.96
	b) Diluted (Rs.)	13.53	13.44	14.67	37.23	39.96	50.96

NOTES:

- The above Statement of Consolidated unaudited financial results for the quarter and nine months ended 31st December, 2019 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 5th February, 2020. The same were also 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 nine months ended 31st December, 2018 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 has been made applicable for the period beginning from 1st April, 2019 pursuant to Regulation 33(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.
- The consolidated financial results 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 Group 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 30th 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 1st April, 2019. The adoption of the standard did not have any material impact to the financial results of the Group.
- Details of forex gain/(loss) are as given below:

	Quarter ended			Nine-months ended		(Rs.in Lakhs)
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	Year ended 31.03.2019
Forex gain/(loss)	1796	1317	(4250)	2501	3697	3086

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: 5th February, 2020



For Divi's Laboratories Limited
Murali K. Divi
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 unaudited consolidated financial results of Divi's Laboratories Limited (the "Parent"), its subsidiaries (the parent and its subsidiaries hereinafter referred to as the "Group"), (refer Note [3] on the Consolidated Statement) for the quarter ended December 31, 2019 and the year to date results for the period April 01, 2019 to December 31, 2019 which are included in the accompanying Statement of Consolidated Unaudited financial results for the quarter and nine months ended December 31, 2019 (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 corresponding quarter ended December 31, 2018 and the corresponding period from April 01, 2018 to December 31, 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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Price Waterhouse Chartered Accountants LLP

4. The Consolidated Statement includes the results of the following entities:
 - 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 consolidated unaudited financial results includes the interim financial results of 2 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs.6,099 lakhs and Rs. 23,968, total net profit after tax of Rs. 184 lakhs and Rs. 1,299 lakhs and total comprehensive income of Rs. 216 lakhs and Rs. 1,600 lakhs for the quarter ended December 31, 2019 and for the period from April 01, 2019 to December 31, 2019, respectively. According to the information and explanations given to us by the Management, these interim financial results 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: 20055000AAAAAK9807

Place: Hyderabad
Date: February 05, 2020

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 5th February, 2020

Divi's Labs earns a consolidated PAT of Rs.359 crores in Q3 of FY20

Consolidated Results

Divi's Laboratories has earned a Profit after Tax (PAT) of Rs. 359 crores on a total income of Rs. 1438 crores, on a consolidated basis, for the quarter ended 31st December, 2019. For the corresponding quarter of the last year, the company earned a PAT of Rs. 389 crores on a total income of Rs. 1394 crores.

For the 9-month period ended 31st December, 2019, the company earned a PAT of Rs.988 crores on a total income of Rs.4118 crores, as against a PAT of Rs.1061 crores on an income of Rs.3800 crores during the corresponding previous period.

Standalone Results

Standalone PAT for the current quarter came to Rs.361 crores on a total income of Rs.1431 crores as against a PAT of Rs.379 crores on an income of Rs.1377 crores during the corresponding quarter of last year.

For the 9-month period ended 31st December, 2019, on a standalone basis, the company earned a PAT of Rs.981 crores on a total income of Rs.4048 crores as against a PAT of Rs.1043 crores on an income of Rs.3745 crores.

Forex gain/loss for the period is given below:

	Quarter ended		Nine-months ended	
	31.12.2019	31.12.2018	31.12.2019	31.12.2018
Forex gain/(loss)	1790	(4112)	2488	3835

Company's Unit-II at village Chippada, Bheemunipatnam Dist., Andhra Pradesh has had an inspection by the US Food and Drug Administration (US-FDA) from 27 January, 2020 to 31 January, 2020. The inspection has been concluded with no "483" observations.

Company has commenced commercial operations effective from 5th February, 2020 from a part of the DC-SEZ Unit at vill. Lingojugudem, Choutuppal Mandal, Bhuvangiri Yadadri Dist., Telangana State.

