

DIVI'S LABORATORIES LIMITED

AUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED 31ST MARCH, 2007

(Rs.in Lakhs)

	Particulars	STAND ALONE					CONSOLIDATED	
		9 Months ended 31.12.2006	Quarter ended 31.03.2007	Quarter ended 31.03.2006	Audited for the Year Ended 31.03.2007	Audited for the Year Ended 31.03.2006	Audited for the Year Ended 31.03.2007	Audited for the Year Ended 31.03.2006
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Net Sales/Income from operations (Net of Excise Duty)	47183	25259	12709	72442	38111	72458	38111
2	Other Income	1021	340	258	1361	1063	1343	1062
3	<u>Total Income:</u>	48204	25599	12967	73803	39174	73801	39173
4	<u>Expenditure:</u>							
	a. (Increase) / Decrease in Stock	2105	(907)	273	1198	(1310)	1056	(1310)
	b. Consumption of Raw Material	21239	9873	5850	31112	18292	31253	18292
	c. Staff Cost	3308	1850	607	5158	1820	5511	1874
	d. Other Expenditure							
	- Manufacturing Expenses	3009	1372	848	4381	3317	4392	3317
	- Other expenses	4312	1682	1252	5994	4324	6372	4392
5	Finance charges	651	406	214	1057	558	1058	558
6	Depreciation	1429	804	386	2233	1482	2235	1482
7	Total Expenses:	36053	15080	9430	51133	28483	51877	28605
8	Profit Before Tax (3-7)	12151	10519	3537	22670	10691	21924	10568
9	Provision for Taxation							
	- Current Tax	2787	545	1024	3332	3316	3333	3316
	- Deferred Tax	272	(135)	219	137	313	-22	284
	- Fringe Benefit Tax	16	11	5	27	15	27	15
10	Profit After Tax: (8-9)	9076	10098	2289	19174	7047	18586	6953
11	Paid-up Equity Share Capital (Face Value : Rs.10 per share)	1282	1291	1282	1291	1282	1291	1282

12	Reserves excluding revaluation reserves				52913	32800	52250	32706
13	Earnings Per Share							
	- Basic (Rs.)	70.80	78.75	17.86	149.54	54.98	144.95	54.24
	- Diluted (Rs.)	69.47	77.82	16.82	147.77	53.94	143.24	53.22
14	Aggregate of non-promoter shareholding							
	- No. of shares	5905700	5998420	5898259	5998420	5898259	5998420	5898259
	- Percentage of shareholding	46.07%	46.46%	46.01%	46.46%	46.01%	46.46%	46.01%

NOTES:

1. The above results for the quarter and year ended 31st March, 2007, as reviewed by the Audit Committee, were considered and approved by the Board of Directors at its meeting held on 23rd May, 2007.
2. The Consolidated results include the financials of subsidiaries, Divis Laboratories (USA) Inc., and Divi's Laboratories Europe AG.
3. The Company is primarily engaged in the manufacture of Active Pharmaceutical Ingredients and intermediates. Accordingly, there are no reportable segments as per Accounting Standard 17 on Segment Reporting issued by the Institute of Chartered Accountants of India.
4. The company has charged an amount of Rs. 2411 lakhs towards Employee Compensation Expense during the current year on account of stock options granted to eligible employees. 92,720 equity shares were allotted during the year at the par value of Rs. 10/- each to employees upon exercise of options under its Employee stock option scheme. Consequently, the paid up capital of the company stands increased to Rs.1291 lakhs.
5. The results include operations from the EOU and SEZ Units at Chippada, Bheemunipatnam, Visakhapatnam (Dist).
6. The company had a successful inspection by the US-FDA for its EOU and SEZ Units at village Chippada, Bheemunipatnam Mandal near Visakhapatnam during November, 2006. The purpose of this inspection was for product pre-approval and general cGMP (Current Good Manufacturing Practices).
7. The Board of Directors of the company have recommended split of equity shares from face value of Rs.10 to Rs.2 each, subject to approval of members.
8. The figures for the previous period have been regrouped, wherever necessary.
9. Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st March, 2007:

Pending as at 01-01-2007	Received	Disposal	Lying unresolved as at 31-03-2007
0	3	3	0

for Divi's Laboratories Limited

Hyderabad
23.05.2007

Dr. Murali K. Divi
Chairman & Managing Director