

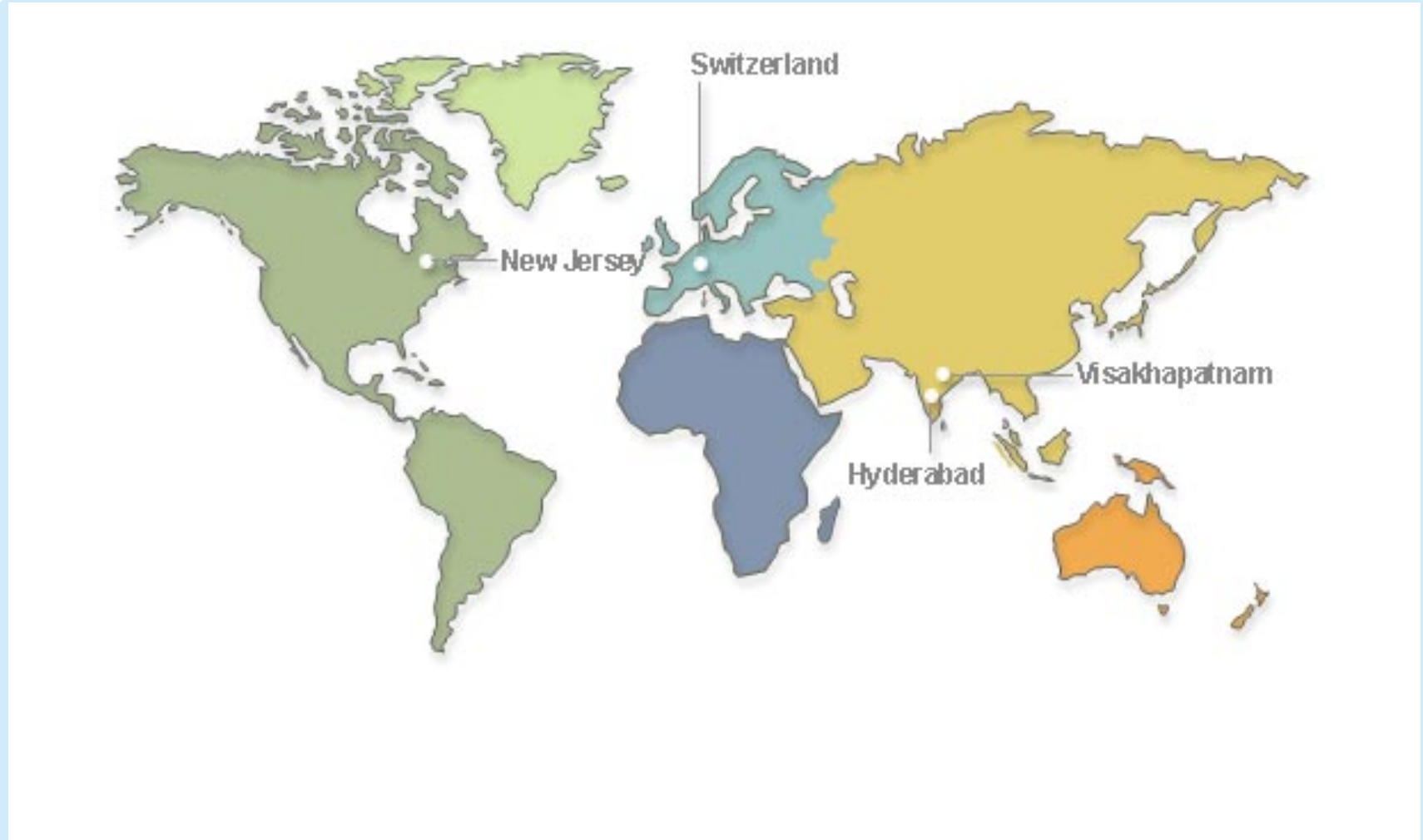


Divis Laboratories Limited





Company Locations





Divi's - Brief History

- 1990 Started as Divi's Research Centre (DRC)
- 1994 Developed technologies for APIs & Intermediates
- 1994 rechristened as Divi's Laboratories
- 1995 Set up multi-purpose manufacturing facility near Hyderabad
- 1997 ISO-9002 Certification
- 1999 Certificate of Suitability (CoS) for Naproxen from European Directorate
- 2000 ISO-9001 and ISO-14001 Certifications
- 2001 OHSAS-18001 Certification
- 2002 commences 2nd Manufacturing Facility
- 2003 New research Centre (DRC) at Visakhapatnam
- 2003 Went for IPO and listed on stock exchanges BSE, NSE and HSE.
- 2004 US-FDA inspects the Choutuppal (Unit-1) for a second time satisfactorily.

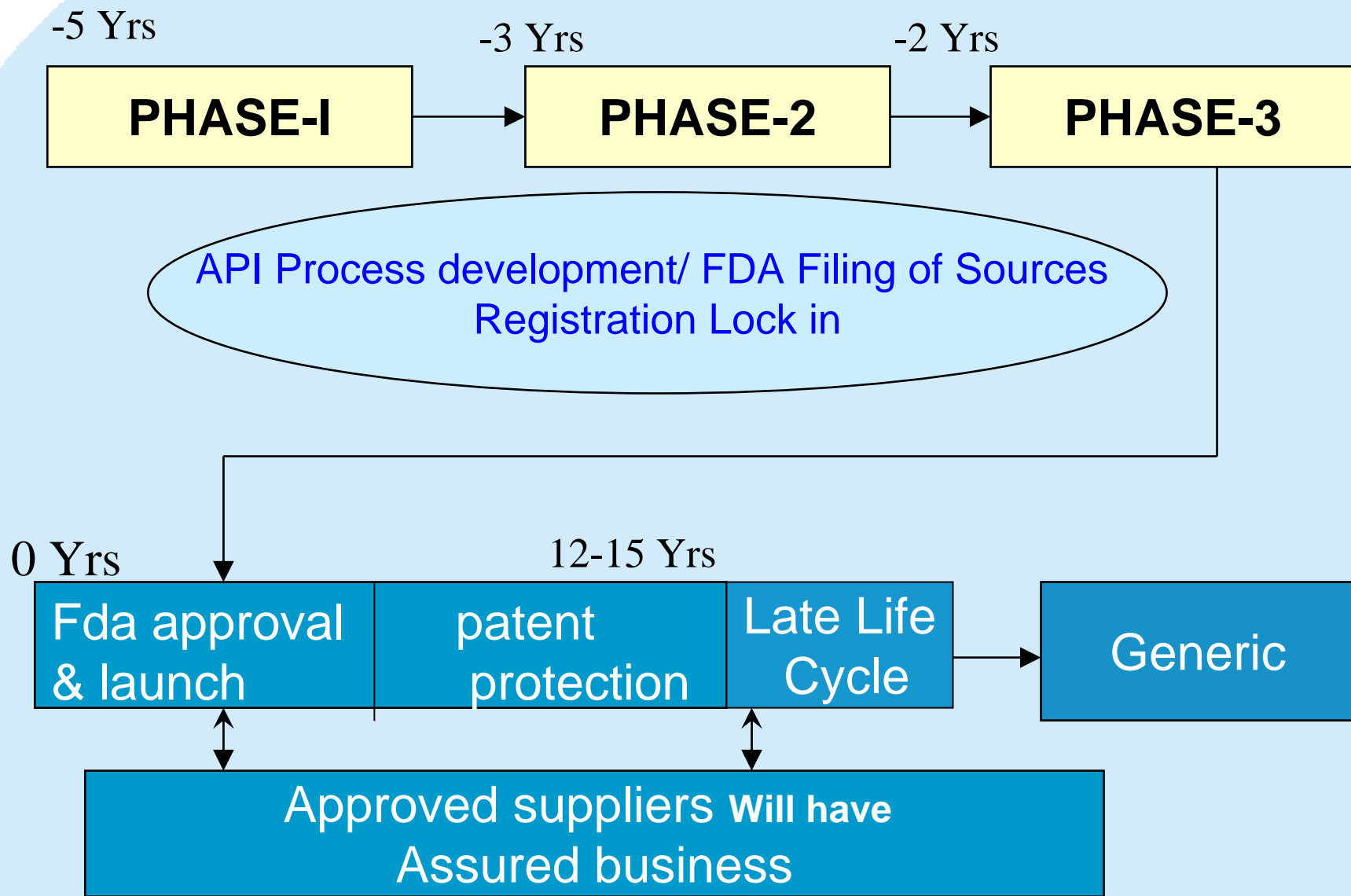


Business Segments

- Generic APIs and Future Generics
- Customs Synthesis
- Peptide Building Blocks & Nucleotides
- Carotenoids



Product life cycle



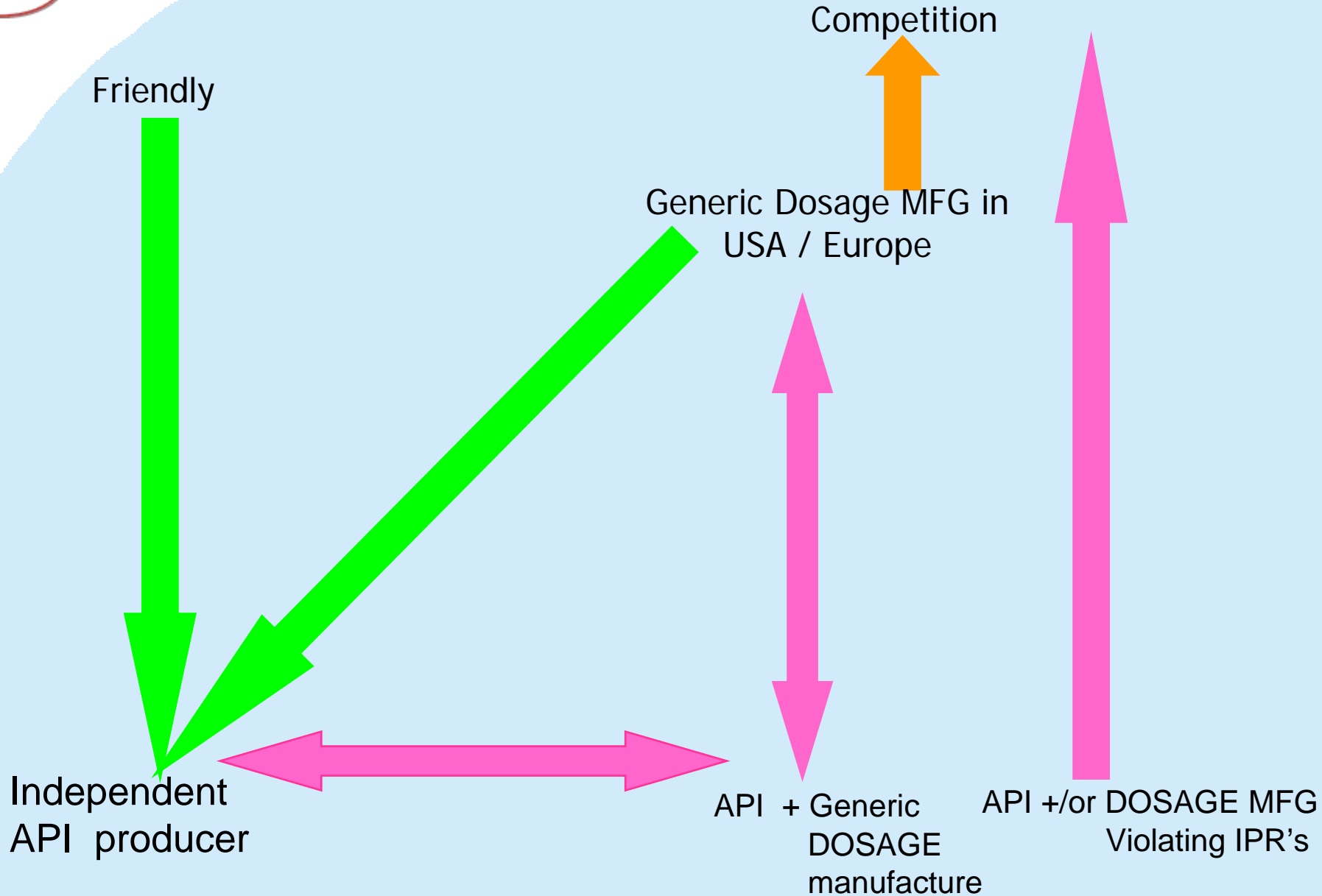


Opportunities

- Patent regime
- India signs GATT in 1995
- IPR compliance to be enforced from 2005
- Emerging opportunities for API business
- No conflict of interest
- Complementary role



DRUG DISCOVERY COMPANIES





Divi's – Business model

- IPR compliance
- De risked business model - post-2005
- Established relationship for over 5 years with pharma giants in Custom synthesis
- Focus on regulated (premium) markets (Europe/USA)
- Complementary and not competing with MNCs and generic houses
- 200 scientists with experience in developing non-patent infringing processes



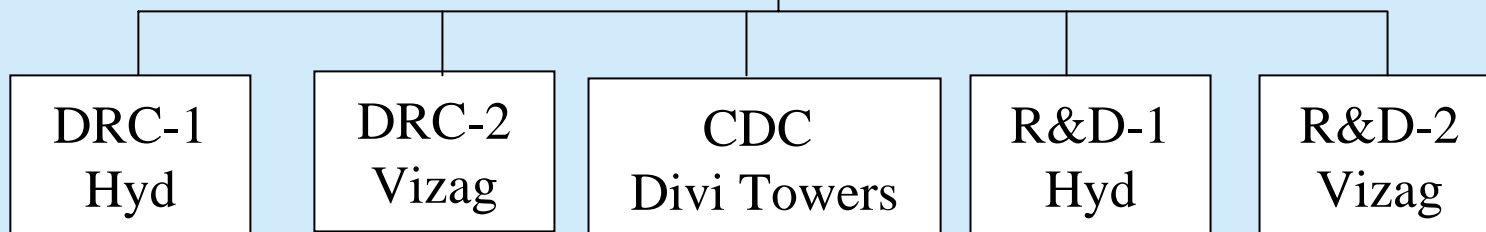
Divi's Production Units



Started	: 1995	2003
Buildings	: 13	7
Reactors	: 320	76
Capacity	: 1450 m ³	600 m ³
Employees	: 1300	600
Land extent	: 300	314
(acres)		



Research Infrastructure



Scientists :	62	46	15	55	22
Research Stations	32	30	-	40	15

No of Scientists	-	200
Groups	-	22
Active projects	-	40
Enquires received	-	700
Projects worked	-	300
Technologies transferred to plant R&D	-	210



Research Process

- Literature search
- Designing schemes
- Preferred scheme selection
- Costing
- Prepn. of sample
- Structural elucidation
- Impurity profile
- Technical package
- Environment impact analysis
- Safety issues
- Process Optimisation
- Technical report
- Pilot batches
- Process validation
- Trend analysis
- Process support



Regulatory

- ISO 9001 by SGS Yarsley, UK
- ISO 14001 by SGS ICS, Switzerland
- OHSAS 18001 by BVQI, London
- Certificate of Suitability (CoS) from European Directorate
- Successful US-FDA inspection in 2000
- Successful US-FDA inspection in 2004



Business Segments

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DMF Filings

S.No	Product	Date of Submission	DMF Number
1	Dextromethorphan HBr	February 4 th , 1997	12,356
2	Naproxen	November 27 th , 1998	13,866
3	Naproxen Sodium	November 27 th , 1998	13,867
4	Ketorolac Acid	August 9 th , 1999	14,340
5	A-Wing	March 14 th , 2000	14,778
6	B-Wing	March 14 th , 2000	14,779
7	Diltiazem HCl	January 26 th , 2001	15,267
8	Nabumetone	April 2 nd , 2001	15,364
9	5-Phenylhydantoin	January 31 st , 2002	15,848
10	Sulphazine	September 24 th , 2003	16,817
11	Levetiracetam	October, 5 th , 2003	16,894
12	Phenylephrine HCl (Unit-II)	October, 19 th 2003	16,918
13	Methyldopa (Unit-II)	September 19 th , 2004	17,699
14	Loratadine	November 7 th , 2004	17,810
15	Carbidopa (Unit-II)	November 20 th , 2004	17,846
16	Levodopa (Unit-II)	December 3 rd , 2004	17,874
17	Proguanil HCl	February 6 th 2005	18,065
18	Iopamidol	February 6 th 2005	18,066
19	Bupropion HCl (Unit-II)	April 24 th 2005	18,306
20	Niacin	July 5 th 2005	18,481
21	Verapamil HCl (Unit-II)	July 17 th 2005	18,523
22	Fosphenytoin Sodium	September 25 th 2005	18,806
23	Zolpidem Tartrate	September 25 th 2005	18,807
24	Risedronate Sodium	September 25 th 2005	18,808
25	Tamsulosin HCl	November 25 th 2005	18, 971
26	Gapapentin (Unit II)	December 4 th 2005	19, 000



Current Business

- Exports 90%
- Generics 70%
- Custom Synthesis 30%
- Business to Europe and US 73%



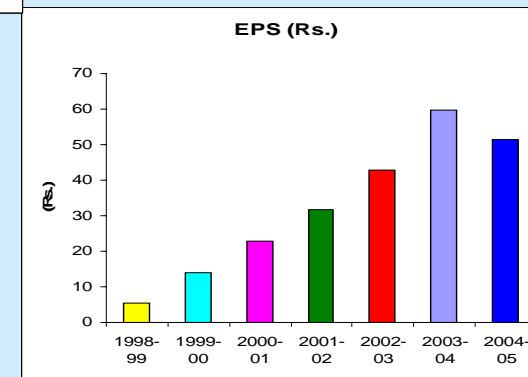
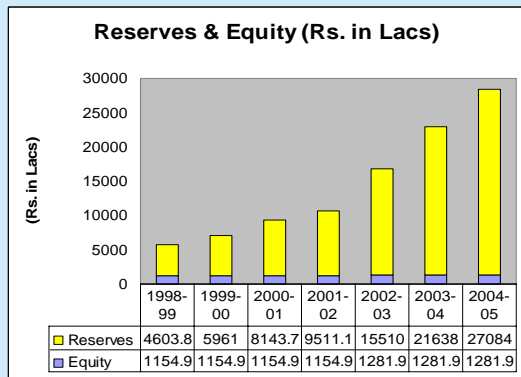
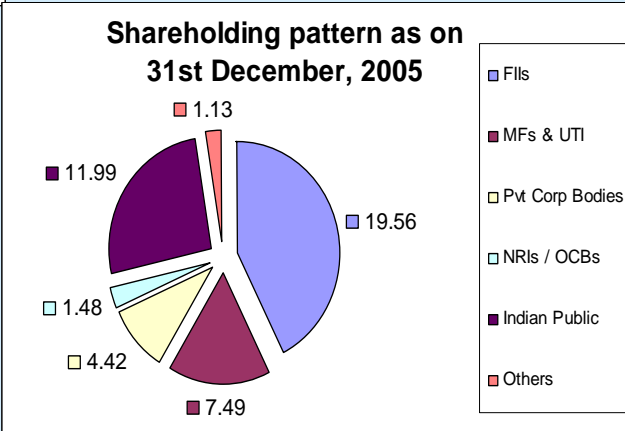
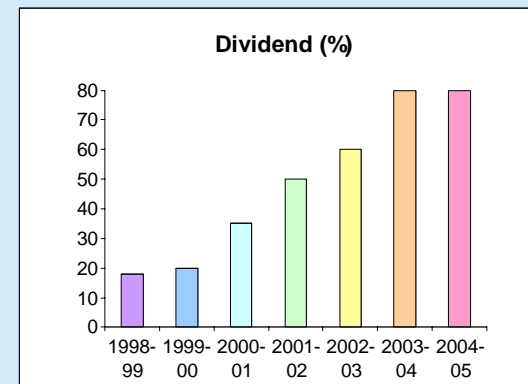
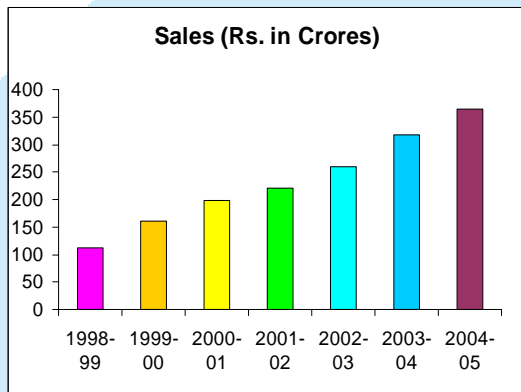
Quarterly Results

(Rs. Lakhs)

Particulars	Q1	Q2	H1-FY05
Net Sale	6464.42	8139.14	14603.6
Other Income	369.59	219	588.55
Total Income	6833.97	8358.14	15192.1
Profit Before Tax	1927.94	2405.64	4333.58
Income Tax	641	769	1410
Deferred Tax	8.52	41.62	50.14
Fringe Benefit Tax	2.61	2.93	5.54
Net Profit:	1275.81	1592.09	2867.9
Equity Share Capital	1281.87	1281.87	1281.87
EPS (Rs.)	9.95	12.42	22.37



Financial Highlights





Growth Strategy

- Maintain leadership in each generic product mfd. by Divi (among top 3 in the world)
- Focus on regulated markets for future generics
- Enlarge custom synthesis by expanding relationships with new skill sets
- New areas of chemistry like carotenoids, chiral chemistry, peptides and nucleotides



Thank You

For more Information please contact
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