

DIVI'S LABORATORIES LIMITED

UN-AUDITED FINANCIAL RESULTS FOR THE 3RD QUARTER
ENDED 31ST DECEMBER, 2005

(Rs.in Lakhs)

		Unaudited				Audited
	Particulars	Quarter ended 31.12.2005	Quarter ended 31.12.2004	9 Months ended 31.12.2005	9 Months ended 31.12.2004	Year Ended 31.03.2005
		(1)	(2)	(3)	(4)	(5)
1	Net Sales/Income from operations (Net of Excise Duty)	10798.22	10107.05	25401.78	23789.09	34737.83
2	Other Income	215.58	367.65	804.13	1150.87	1714.65
3	Total Income	11013.80	10474.70	26205.91	24939.96	36452.48
4	Expenditure:					
	a. (Increase) / Decrease in Stock	1160.19	(257.36)	(1583.24)	(2863.89)	(2524.03)
	b. Consumption of Raw Material	4042.29	5623.27	12441.50	13294.56	18362.29
	c. Staff Cost	424.32	376.50	1212.98	1112.26	1509.63
	d. Other Expenditure					
	- Manufacturing Expenses	841.84	862.61	2469.24	2452.55	3284.14
	- Other expenses	1219.50	857.53	3072.10	2568.83	3652.46
5	Finance charges	136.33	138.83	344.09	287.88	429.89
6	Depreciation	369.33	389.40	1095.66	1135.84	1506.68
7	Total Expenses:	8193.80	7990.78	19052.33	17988.03	26221.06
8	Profit Before Tax (3-7)	2820.00	2483.92	7153.58	6951.93	10231.42
	Provision for Taxation					
	- Current Tax	881.41	865.32	2291.41	2340.32	3353.82
	- Deferred Tax	44.24	94.37	94.38	305.46	274.48
	- Fringe Benefit Tax	4.38	--	9.92	--	--
10	Net Profit: (8-9)	1889.97	1524.23	4757.87	4306.15	6603.12
11	Paid-up Equity Share Capital (Face value: Rs.10 per share)	1281.87	1281.87	1281.87	1281.87	1281.87
12	Reserves excluding revaluation reserves					27084.12
13	Earnings Per Share Rs. - Basic/Diluted	14.74	11.89	37.12	33.59	51.51
14	Aggregate of non-promoting shareholding					
	- No. of shares	5898459	5893559	5898459	5893559	5897759
	- Percentage of shareholding	46.01%	45.98%	46.01%	45.98%	46.01%

NOTES:

1. The above results for the quarter and period ended 31st December, 2005, as reviewed by the Audit Committee, were considered and approved by the Board of Directors at its meeting held on 30th January, 2006.
2. 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.
3. The Board has decided to introduce an Employee Stock Option Scheme (ESOP) for its employees in accordance with SEBI Guidelines subject to approval of shareholders.
4. The figures for the previous period have been regrouped, wherever necessary.
5. Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31st December, 2005:

Nature of Complaints	Pending as at 01-10-2005	Received during the quarter	Disposal during the quarter	Lying unresolved as at 31-12-2005
Share Certificates related	0	6	6	0
Dividend related	0	4	4	0

For Divi's Laboratories Limited

Hyderabad
Date: 30.01.2006

Dr. Murali K. Divi
Chairman and Managing Director