

DIVI'S LABORATORIES LIMITED

CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2006

(Rs.in Lakhs)

	Particulars	Quarter ended 31.03.2006	Year Ended 31.03.2006
		(2)	(4)
1	Net Sales/Income from operations	12709.29	38111.07
2	Other Income	258.00	1062.13
3	<u>Total Income:</u>	12967.29	39173.20
4	<u>Expenditure:</u>		
	a. (Increase) / Decrease in Stock	273.03	(1310.21)
	b. Consumption of Raw Material	5850.32	18291.82
	c. Staff Cost	661.20	1874.18
	d. Other Expenditure		
	- Manufacturing Expenses	848.02	3317.26
	- Other expenses	1319.46	4391.56
5	Finance charges	214.27	558.36
6	Depreciation	386.42	1482.08
7	Total Expenses:	9552.72	28605.05
8	<u>Profit Before Tax (3-4-5-6)</u>	3414.57	10568.15
	Provision for Taxation		
9	- Current Tax	1024.63	3316.04
	- Deferred Tax	189.34	283.72
	- Fringe Benefit Tax	5.08	15.00
10	<u>Net Profit: (7-8)</u>	2195.52	6953.39
11	Paid-up Equity Share Capital (Face value Rs.10/- each)	1281.87	1281.87
12	Reserves excluding revaluation reserves	-	32705.51
13	Earnings Per Share Rs.		
	- Basic	17.12	54.24
	- Diluted	16.10	53.22
	(Face Value : Rs.10 per share)		
14	Aggregate of non-promoting shareholding		
	- No. of shares	5898259	5898259
	- Percentage of shareholding	46.01	46.01

NOTES:

- 1) The above results for the year ended 31.03.2006, as reviewed by the Audit Committee, were considered and approved by the Board of Directors at its meeting held on 17.06.2006.
- 2) The above results include the financials of subsidiaries, Divis Laboratories (USA) Inc. (w.e.f.14.12.2005) and Divi's Laboratories Europe AG (w.e.f. 01.02.2006) whose accounts are un-audited and based on the management's certification of respective subsidiaries.
- 3) As there are no subsidiaries required to be consolidated as on 31.03.2005, previous year figures are not given.

Place: Hyderabad
Date: 17th June, 2006

for Divi's Laboratories Limited

Dr. Murali K. Divi
Chairman & Managing Director

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2006

(Rs.in Lakhs)

	Particulars	Un-audited			Audited	
		9 Months ended 31.12.20 05	Quarter ended 31.03.2006	Quarter ended 31.03.2005	Year Ended 31.03.2006	Year Ended 31.03.2005
		(1)	(2)	(3)	(4)	(5)
1	Net Sales/Income from operations	25401.78	12709.29	10948.74	38111.07	34737.83
2	Other Income	804.13	258.35	563.78	1062.48	1714.65
3	<u>Total Income:</u>	26205.91	12967.64	11512.52	39173.55	36452.48
4	<u>Expenditure:</u>					
	a. (Increase) / Decrease in Stock	(1583.24)	273.03	339.86	(1310.21)	(2524.03)
	b. Consumption of Raw Material	12441.50	5850.32	5067.73	18291.82	18362.29
	c. Staff Cost	1212.98	606.89	397.37	1819.87	1509.63
	d. Other Expenditure					
	- Manufacturing Expenses	2469.24	848.02	831.59	3317.26	3284.14
	- Other expenses	3072.10	1251.68	1083.63	4323.78	3652.46
5	Finance charges	344.09	214.23	142.01	558.32	429.89
6	Depreciation	1095.66	385.93	370.84	1481.59	1506.68
7	Total Expenses:	19052.33	9430.10	8233.03	28482.43	26221.06
8	<u>Profit Before Tax (3-4-5-6)</u>	7153.58	3537.54	3279.49	10691.12	10231.42
	Provision for Taxation					
9	- Current Tax	2291.41	1024.41	1013.50	3315.82	3353.82
	- Deferred Tax	94.38	218.78	(30.98)	313.16	274.48
	- Fringe Benefit Tax	9.92	5.08	-	15.00	-
10	<u>Net Profit: (7-8)</u>	4757.87	2289.27	2296.97	7047.14	6603.12
11	Paid-up Equity Share Capital (Face value Rs.10/- each)	1281.87	1281.87	1281.87	1281.87	1281.87
12	Reserves excluding revaluation reserves				32799.78	27084.12
13	Earnings Per Share Rs.					
	- Basic	37.12	17.86	17.92	54.98	51.51
	- Diluted	37.12	16.82	17.92	53.94	51.51
	(Face Value : Rs.10 per share)					
14	Aggregate of non-promoting shareholding					
	- No. of shares	5898459	5898259	5897759	5898259	5897759
	- Percentage of shareholding	46.01%	46.01	46.01%	46.01	46.01%

NOTES:

1. The above results for the year ended 31st March, 2006, as reviewed by the Audit Committee, were considered and approved by the Board of Directors at its meeting held on 17th June, 2006.
2. The Board of Directors has recommended a dividend of 100 % on equity shares of Rs.10/- each for the year ended 31.03.2006.
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 formulated Employee Stock Option Scheme 2006 (ESOP 2006) as per SEBI Guidelines and granted 464920 stock options to eligible employees and non promoter executive directors of the company. In accordance with the applicable accounting standards, an amount of Rs.130.17 lakhs has been charged as expenses for the year.
5. The company is implementing expansion Projects for specialty ingredients, Active Pharma ingredients and custom synthesis products and has borrowed long-term loans for the purpose. The Projects are expected to commence operations during 2006-07.
6. The figures for the previous year/period have been regrouped, wherever necessary.
7. Information on Investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 31.03.2006:

Nature of Complaints	Pending as at 01-01-2006	Received during the quarter	Disposal during the quarter	Lying unresolved as at 31-03-2006
Share Certificates related	0	0	0	0
Dividend related	0	3	3	0

Place: Hyderabad
Date: 17th June, 2006

for Divi's Laboratories Limited

Dr. Murali K. Divi
Chairman & Managing Director