

## DIVI'S LABORATORIES LIMITED

### UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30<sup>TH</sup> JUNE, 2009

(Rs.in Lakhs)

		STAND ALONE			CONSOLIDATED		
	Particulars	Quarter ended 30.06.2009	Quarter ended 30.06.2008	Year Ended 31.03.2009	Quarter ended 30.06.2009	Quarter ended 30.06.2008	Year Ended 31.03.2009
		Unaudited	Unaudited	Audited	Unaudited	Unaudited	Audited
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
1	Net Sales/Income from operations (Net of Excise Duty)	<b>20277</b>	26607	119056	<b>20583</b>	26358	118034
	Other Operating Income	<b>942</b>	350	1293	<b>1167</b>	351	1280
	<b>Total Income:</b>	<b>21219</b>	26957	120349	<b>21750</b>	26709	119314
2	<u>Expenditure:</u>						
	a. (Increase)/decrease in stock in trade and work in progress	<b>(2383)</b>	(2801)	(9909)	<b>(2050)</b>	(3362)	(11847)
	b. Consumption of Raw Material	<b>10577</b>	12245	54265	<b>10555</b>	12362	54382
	c. Purchase of Traded Goods	<b>0</b>	0	0	<b>0</b>	0	0
	d. Employees Cost	<b>1787</b>	1482	6192	<b>1918</b>	1580	6628
	e. Depreciation	<b>1286</b>	1073	4782	<b>1287</b>	1074	4785
	f. Other Expenditure						
	- Manufacturing Expenses	<b>1712</b>	1899	7872	<b>1719</b>	2009	8080
	- Other expenses	<b>1654</b>	2801	11598	<b>1773</b>	3025	12672
	g. Total	<b>14633</b>	16699	74800	<b>15202</b>	16688	74700
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	<b>6586</b>	10258	45549	<b>6548</b>	10021	44614
4	Other Income	<b>285</b>	169	1008	<b>261</b>	154	934
5	Profit before Interest & Exceptional Items (3+4)	<b>6871</b>	10427	46557	<b>6809</b>	10175	45548
6	Finance charges	<b>83</b>	196	723	<b>83</b>	196	725
7	<u>Profit after Interest but before Exceptional items</u> (5-6)	<b>6788</b>	10231	45834	<b>6726</b>	9979	44823
8	<b>Exceptional items Tax Expense of earlier years (Refer Note No.5)</b>	<b>5404</b>	0	0	<b>5404</b>	0	0
9	<u>Profit from ordinary activities before Tax</u> (7-8)	<b>1384</b>	10231	45834	<b>1322</b>	9979	44823
10	Tax Expense						
	- Current Tax	<b>872</b>	745	2959	<b>872</b>	745	2959
	- MAT Credit Entitlements	<b>0</b>	(331)	(319)	<b>0</b>	(331)	(319)
	- Deferred Tax	<b>20</b>	162	727	<b>21</b>	125	497

	- Fringe Benefit Tax	<b>0</b>	7	22	<b>0</b>	7	22
11	<u>Net Profit from ordinary activities after Tax: (9-10)</u>	<b>492</b>	9648	42445	<b>429</b>	9433	41664
12	Extra-ordinary items	<b>0</b>	0	0	<b>0</b>	0	0
13	Net Profit (+)/Loss(-) for the period (11-12)	<b>492</b>	9648	42445	<b>429</b>	9433	41664
14	Paid-up Equity Share Capital (Face Value : Rs.2 per share)	<b>1297</b>	1293	1295	<b>1297</b>	1293	1295
15	Reserves excluding revaluation reserves as per balance sheet of previous accounting year			124884			122843
16	Earnings per Share:						
a)	Basic Earnings Per Share before exceptional items Rs.	<b>9.09</b>	14.92	65.59	<b>8.99</b>	14.59	64.38
	Diluted Earnings Per Share before exceptional items Rs.	<b>9.01</b>	14.76	64.92	<b>8.91</b>	14.43	63.73
b)	Basic Earnings Per Share before extra-ordinary items Rs.	<b>0.76</b>	14.92	65.59	<b>0.66</b>	14.59	64.38
	Diluted Earnings Per Share before extra-ordinary items Rs.	<b>0.75</b>	14.76	64.92	<b>0.65</b>	14.43	63.73
c)	Basic Earnings Per Share after extra-ordinary items Rs.	<b>0.76</b>	14.92	65.59	<b>0.66</b>	14.59	64.38
	Diluted Earnings Per Share after extra-ordinary items Rs.	<b>0.75</b>	14.76	64.92	<b>0.65</b>	14.43	63.73
17	Public shareholding - No. of shares - Percentage of shareholding	<b>30263675</b> <b>46.67%</b>	30088450 46.52%	30173725 46.59%	<b>30263675</b> <b>46.67%</b>	30088450 46.52%	30173725 46.59%
18	Promoters and promoter group shareholding: a) pledged / encumbered b) non-encumbered: No. of shares Percentage of shares (as a % of the total shareholding of the promoter group) Percentage of shares (as a % of the total share capital of the company)	<b>Nil</b> <b>34584300</b> <b>100.00%</b> <b>53.33%</b>	Nil 34584500 100.00% 53.48%	Nil 34584300 100.00% 53.41%	<b>Nil</b> <b>34584300</b> <b>100.00%</b> <b>53.33%</b>	Nil 34584300 100.00% 53.48%	Nil 34584500 100.00% 53.41%

**NOTES:**

1. The above results for the quarter ended 30<sup>th</sup> June 2009, as reviewed by the Audit Committee, were considered and approved by the Board of Directors at its meeting held on 31<sup>st</sup> July, 2009.
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 notified under the Companies Act, 1956.
3. The consolidated results include the unaudited results of the subsidiaries Divis Laboratories (USA) Inc and Divi's Laboratories Europe AG.
4. In view of the passing of Finance Bill (No.2), 2009 by Lok Sabha, applicable amendments to the Income-tax Act, 1961 have been considered in the financial results for the quarter ended 30<sup>th</sup> June, 2009.

5. During the quarter, consequent to the recent clarificatory amendment to applicable income-tax provisions for SEZ Units made effective prospectively, an amount of Rs.5404 lakhs has been provided towards tax expense of earlier years, representing shortfall of tax provision on account of claims in respect of the SEZ Unit set up by the company, under exceptional item, as the same is not in the nature of provision for ordinary activities of the current quarter. Statutory auditors have qualified in the audit report for the year ended 31<sup>st</sup> March, 2009 about short provision of tax. The Company has provided the short provision during the quarter.
6. During the current quarter, the company has allotted 89,950 equity shares of Rs.2/- each to the employees on exercise of their stock options.
7. Figures for the previous year/period have been regrouped or recasted, wherever necessary.
8. Members of the company have approved the issue of bonus shares in the proportion of 1 (one) equity share for every equity share held. The Board of Directors have fixed 1<sup>st</sup> August, 2009 as the record date to determine eligibility of members for issue of bonus shares. The bonus shares have not been issued till the date of the Board meeting for approval of the financial statements for the quarter ended 30<sup>th</sup> June, 2009.
9. Details of Investor complaints pursuant to Clause 41 of the Listing Agreement for the quarter ended 30.06.2009:  
Opening: Nil, Received during the Quarter: 4, Resolved: 4, Closing: Nil

for Divi's Laboratories Limited

Place: Hyderabad  
Date: 31<sup>st</sup> July, 2009

Dr. Murali K. Divi  
Chairman & Managing Director