

ZENOTECH LABORATORIES LIMITED

8-3-677/15, SKD Nagar, Srinagar Colony

Hyderabad - 500 073

Audited financial results for the quarter and nine months ended on December 31st, 2005

(Rs. in lacs)

S.No.	Particulars	III Quarter ended		Up to the period ending		Year ended March 31 st , 2005
		31-Dec-05	31-Dec-04	31-Dec-05	31-Dec-04	
1	Gross sales	427.59	210.35	1,010.04	411.21	562.27
	Less: Excise duty	(1.14)	26.12	44.87	41.54	67.03
	Net sales	428.73	184.23	965.17	369.67	495.24
2	Other income	0.81	4.21	2.13	20.78	28.63
3	Total expenditure	370.28	118.76	805.77	300.79	457.37
4	Profit before interest, depreciation and taxes	59.26	69.68	161.52	89.66	66.50
5	Interest	7.70	6.40	19.73	13.53	21.26
6	Profit after interest but before depreciation and taxes	51.56	63.28	141.79	76.13	45.24
7	Depreciation	1.80	1.25	5.25	4.25	5.89
8	Amortisation of goodwill and deferred revenue expenditure	40.66	40.56	121.35	121.38	161.72
9	Extra ordinary items	-	-	-	-	257.34
10	Profit before tax	9.10	21.47	15.19	(49.50)	(379.71)
11	Provision for tax (including fringe benefit tax)	1.09	-	2.92	-	3.00
12	Provision for deferred tax	-	-	-	-	25.90
13	Profit after tax	8.01	21.47	12.27	(49.50)	(408.61)
14	Paid-up Equity share capital (Rs.10/- per share)	1,568.28	1,474.99	1,568.28	1,474.99	1,493.28
15	Reserves excluding revaluation reserves	-	-	-	-	1,486.56
16	Earnings per share (Rs.)	-	-	-	-	-
	for the quarter/nine months not annualised	-	-	-	-	-
	Basic and diluted	0.05	0.15	0.08	-	-
17	Aggregate of non-promoter's shareholding	-	-	-	-	-
	- Number	7,880,198	5,382,800	7,880,198	5,382,800	5,750,887
	- Percentage of shareholding	50.25%	36.49%	50.25%	36.49%	38.51%

Notes:

- The above results were taken on record by the Board of Directors at their meeting held on January 19th, 2006.
- The effect of deferred tax will be provided at the end of the year.
- Biological manufacturing facility of the Company is close to commissioning.
- The Company presently operates in one segment only - Pharmaceuticals.
- Investor complaints status: There were no investor complaints pending at the beginning of the quarter. The Company has not received any investor complaints during the quarter ended December 31st, 2005.
- R&D expenses of Rs.47.47 lacs for the quarter has been deferred as per AS 8.
- The Company's subsidiaries in Brazil and Nigeria are yet to start their commercial operations. Hence the above results does not consider consolidation of financial results.
- The above results do not include the financials of Credence Pharmaceuticals Limited and Hemarus Healthcare Pvt. Ltd., pending confirmation of Scheme by the Hon'ble High Court of Andhra Pradesh.

By order of the Board
Sd/-

Place: Hyderabad
Date: January 19th, 2006

Dr. Jayaram Chigurupati
Chairman and Managing Director