

ZENOTECH LABORATORIES LIMITED

8-2-120/112/88-89/P/2, 4th Floor, Park View Estate, Road No.2, Banjara Hills

Hyderabad - 500 034

Unaudited financial results for the quarter ended 30th September, 2007

(Rs. in lakhs)

S.No.	Particulars	3 months ended		6 months ended		Year ended
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
		30-Sep-07	30-Sep-06	30-Sep-07	30-Sep-06	31-Mar-07
1	Income from sales and operations	256.02	551.02	623.59	857.83	1,364.64
	Less: Excise duty	9.03	23.93	21.18	48.12	62.66
	Net sales	246.99	527.09	602.41	809.71	1,301.98
2	License fee	-	-	-	-	900.00
3	Other income	0.48	8.73	17.23	19.30	29.49
4	Total Income	247.47	535.82	619.64	829.01	2,231.47
5	Expenditure					
	a. (Increase) / decrease in stock	(68.32)	(79.09)	(60.04)	(179.83)	(213.67)
	b. Material cost etc.	96.41	241.21	168.56	506.28	768.09
	c. Other manufacturing expenses	80.66	13.52	171.25	25.91	164.16
	d. Staff cost	124.53	74.43	249.17	160.80	439.52
	e. Administration, selling and distribution and other expenses	65.47	118.05	124.95	213.69	385.67
	f. Product development expenses	27.34	-	51.47	-	114.38
	g. Depreciation	70.66	32.97	139.84	44.87	182.10
	h. Amortisation of miscellaneous expenditure including product development expenditure	33.56	8.23	66.85	12.51	91.26
	i. Total	430.31	409.32	912.05	784.23	1,931.51
6	Interest	65.22	42.61	132.47	68.13	211.14
7	Exceptional items	-	-	-	-	-
8	Profit (+)/Loss (-) from Ordinary Activities before tax (4) - (5+6+7)	(248.06)	83.89	(424.88)	(23.35)	88.82
9	Tax expense	1.44	2.73	2.84	3.82	(273.65)
10	Net Profit (+) / Loss (-) from Ordinary Activities after tax (8-9)	(249.50)	81.16	(427.72)	(27.17)	362.47
11	Extraordinary items (net of tax expense)	-	-	-	-	-
12	Net Profit (+) / Loss (-) for the period (10-11)	(249.50)	81.16	(427.72)	(27.17)	362.47
13	Paid-up equity share capital (Face value of Rs.10/- per equity share)	2,881.05	2,881.05	2,881.05	2,881.05	2,881.05
14	Reserves excluding revaluation reserves as per balance sheet of previous accounting year					3,332.82
15	Earnings per share (not annualized) (Rs.)					
	- Basic	(0.87)	0.28	(1.48)	(0.09)	1.29
	- Diluted	(0.87)		(1.48)		1.29
16	Public shareholding					
	- Number of shares	12,356,558	12,270,570	12,356,558	12,270,570	12,356,558
	- Percentage of shareholding	42.89%	42.59%	42.89%	42.59%	42.89%

Notes:

- The above results were reviewed by the audit committee and approved by the Board of Directors at their meeting held on October 31, 2007.
- The Company operated in one segment only - Pharmaceuticals.
- The Company's subsidiary in Brazil is yet to start its commercial operations.
- In the financial year ended 31st March, 2007 Company recognised deferred tax asset of Rs.893.03 lakhs on carried forward business losses and unabsorbed depreciation. The auditors in their report have qualified that in their opinion this accounting treatment is not in accordance with the requirements of Accounting Standard 22 (AS) on Accounting for Taxes on Income issued by the Institute of Chartered Accountants of India. The Management is confident that the Company would be in a position to make adequate profits in future and would realise the deferred tax asset of Rs.893.03 lakhs being carried forward as on 31st March, 2007. The Company, as a matter of prudence, has not recognised in the six months period ended 30th September, 2007 deferred tax asset/liability on account of timing difference.
- During the quarter under review, the following is the status of investor compliants : opening balance : nil; received during the quarter : nil; resolved during the quarter: nil; closing balance: nil.
- Figures have been regrouped/reclassified and recast wherever necessary.

By order of the Board



Dr. Jayaram Chigurupati

Chairman and Managing Director

Place: Hyderabad

Date :

For Identification
Deloitte Haskins & Sells

