

UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

Sl. No.	Particulars	UNAUDITED				AUDITED
		3 Months ended 30.09.2010	3 Months ended 30.09.2009	9 Months ended 30.09.2010	9 Months ended 30.09.2009	12 Months ended 31.12.2009
1	(a) Net Sales / Income from Operations	41,219.27	31,714.42	124,020.90	91,115.73	130,477.14
	(b) Other Operating Income	1,821.84	201.14	5,545.97	1,061.34	2,355.86
	Total Income	43,041.11	31,915.56	129,566.87	92,177.07	132,833.00
2	Expenditure	(916.93)	(1,001.87)	(4,112.05)	(2,627.84)	(2,652.93)
	(a) (Increase) / decrease in stock in trade & work in progress	14,920.27	12,322.17	37,142.54	34,623.27	44,589.56
	(b) Consumption of materials	8,898.51	6,456.30	25,796.53	17,188.79	28,139.97
	(c) Purchase of traded goods	5,406.10	4,926.99	16,087.49	13,353.60	18,080.65
	(d) Employees cost	1,558.29	1,196.05	4,635.20	3,363.62	4,919.02
	(e) Depreciation	5,893.46	4,947.88	24,173.40	16,963.69	23,626.37
	(f) Other Expenditure	35,759.70	28,847.52	103,723.11	82,865.13	116,702.64
	Total Expenditure	7,281.41	3,068.04	25,843.76	9,311.94	16,130.36
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	0.01	-	0.83	-	1.11
4	Other Income (net)	7,281.42	3,068.04	25,844.59	9,311.94	16,131.47
5	Profit before Interest & Exceptional Items (3+4)	7,281.42	3,068.04	25,844.59	9,311.94	16,131.47
6	Interest (Net)	3,925.72	2,077.48	10,157.30	5,828.22	7,590.71
7	Profit after Interest but before Exceptional Items (5-6)	3,355.70	990.56	15,687.29	3,483.72	8,540.76
8	Exceptional Items					
	- Exchange Fluctuation Gain / (Loss) - (Net)	1,483.61	1,079.31	1,127.92	(397.61)	1,316.36
	- Profit on sale of Plant	-	-	-	1,150.20	1,136.54
	- Changes in fair value of Options embedded in FCCBs Gain / (Loss)	338.77	(346.40)	(749.35)	(300.40)	(411.15)
	- Profit on FCCB Buyback	-	-	-	3,490.56	2,911.69
	- Interest reversal on FCCB Buyback	-	-	-	498.40	799.61
9	Profit from ordinary activities before tax (7+8)	5,178.08	1,723.47	16,065.86	7,924.87	14,293.81
10	Tax Expenses / (credit)	1,103.34	(486.39)	2,689.40	263.80	2,189.88
11	Net Profit from ordinary activities after tax (9-10)	4,074.74	2,209.86	13,376.46	7,661.07	12,103.93

Rs. in Lakhs

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		3 Months ended 30.09.2010	3 Months ended 30.09.2009	9 Months ended 30.09.2010	9 Months ended 30.09.2009	12 Months ended 31.12.2009
12	Extraordinary item	-	-	-	-	-
13	Net Profit for the year / period (11-12)	4,074,74	2,209.86	13,376.46	7,661.07	12,103.93
	(a) Share of Minority Interest	617.09	236.48	1,360.15	462.48	1,135.54
14	Consolidated Profit after Minority Interest	3,457.65	1,973.38	12,016.31	7,198.59	10,968.39
15	Paid-up Equity Share Capital (Face value of Rs.10/-each)	4,692.11	4,015.56	4,692.11	4,015.56	4,021.56
16	Reserves excluding revaluation reserves	-	-	-	-	72,409.18
17	Basic & Diluted EPS (Rs.)					
	(a) Basic EPS	7.51	4.70	27.18	17.28	26.49
	(b) Diluted EPS	5.52	4.32	22.69	15.08	19.67
18	Aggregate of Public shareholding :					
	(a) Number of shares	30,627,765	29,824,686	30,627,765	29,824,686	29,884,686
	(b) Percentage of shareholding	65.27%	74.27%	65.27%	74.27%	74.31%
	Promoters and Promoter group shareholding :					
	(a) Pledged / Encumbered					
	- Number of shares	8,196,000	6,896,000	8,196,000	6,896,000	6,896,000
	- Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	50.30%	66.75%	50.30%	66.75%	66.75%
	- Percentage of shareholding (as a % of the total share capital of the Company)	17.47%	17.17%	17.47%	17.17%	17.15%
	(b) Non Pledged / Non Encumbered					
	- Number of shares	8,097,373	3,434,928	8,097,373	3,434,928	3,434,928
	- Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	49.70%	33.25%	49.70%	33.25%	33.25%
	- Percentage of shareholding (as a % of the total share capital of the Company)	17.26%	8.56%	17.26%	8.56%	8.54%

Notes:

- 1 Pursuant to the provision of clause 41 of the listing agreement, the Company has opted to publish only the consolidated results. The standalone results of the Company can be viewed on the Company's website www.stridesarco.com, or on the websites of BSE (www.bseindia.com) or NSE (www.nseindia.com).
- 2 The above unaudited results of the Company has been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on October 27, 2010.
- 3 Consequent to the approval of Scheme of Arrangement by the Hon'ble High Courts of Judicature during the year ending December 31, 2009, the Company has utilised the Reserve for Business Restructure as under:

Rs. in Lakhs

Particulars	Quarter Ended 30.09.2010	Quarter Ended 30.09.2009	9 months Ended 30.09.2010	9 months Ended 30.09.2009	Year Ended 31.12.2009
-Impairment of:					
Fixed Assets	-	-	-	-	726.98
Current Assets	-	-	-	-	9,029.38
Interest on Purchase consideration	567.05	-	1,139.91	-	19,344.95
Investments/ Goodwill written off	-	-	-	-	3,645.73
- Compensation in respect of product return & early termination of procurement contract	417.31	287.50	1,251.93	862.50	1,150.00
- Depreciation and Amortisation	60.09	-	515.51	-	6,776.45
- Employee compensation	-	-	36.34	-	1,171.33
- Other expenses	-	-	(460.16)	-	-
Realisation of assets written off earlier	-	-	-	-	-
Impact if the Company followed the Accounting Standards instead of the accounting treatment provided in the Scheme :-					
Net Profit for the period ended September 30, 2010 would have decreased by :					
Revised earnings / (Loss) per share (Face value of Rs. 10/-each) (Rs.)	1,044.45	287.50	2,483.53	862.50	41,844.82
Basic	5.18	3.98	21.44	15.13	(77.87)
Diluted	3.58	3.67	18.22	13.45	(77.87)

- 4 Exchange fluctuation gain/loss (net) included under Exceptional items comprises the unrealised gains/losses arising out of the restatement of FCCBs, External Commercial Borrowings, intra group loans given and gains/losses on forward exchange option contracts.
- 5 During the quarter:
- a) 1,62,000 equity shares were allotted on exercising equal number of options under Strides Arcolab ESOP 2008 Scheme of the Company. Further, 1,37,500 options were granted to eligible employees of the Company under Strides Arcolab ESOP 2008 Scheme.
- b) The Company allotted 3,220,000 equity shares of Rs. 10 each at a premium of Rs. 81.15 per equity share upon conversion of equal number of warrants which was allotted on April 13, 2009 to a Promoter group company.
- c) The Group completed the acquisition of the balance share holding in Co Pharma Ltd., UK from Aspen Global Incorporated (Aspen) and divested its investments in Formule Naturalle Pty. Ltd., South Africa to Aspen. Other Expenditure includes a sum of Rs. 408.40 lakhs being loss incurred on sale of investments in Formule Naturalle Pty. Ltd.

- 6 As per the binding agreement entered with Aspen Global Incorporated (Aspen) for the purchase of their share holding in Onco Therapies Limited (OTL) & Onco Laboratories Limited (OLL), the risk and economic benefit in the shares of these Companies and their operations stand transferred to the Company with effect from January 1, 2010. Pending transfer of the shares by Aspen, both OTL & OLL have been consolidated as fully controlled entities. An amount of Rs. 37,067 Lakhs is yet to be discharged in respect of the above acquisitions.
- 7 The Group has entered into a binding agreement with Aspen Global Incorporated (Aspen) for purchase of manufacturing facility at Campos, Brazil, subject to regulatory approvals, and contemporaneously divested its 49% share holding in Pharmalinea Holdings Limited (Pharmalinea). Pending receipt of regulatory approval for the acquisition and fair valuation of Assets and Liabilities that will be acquired, the Group continues to carry the Investment in Pharmalinea at book value.
- 8 On October 1, 2010, the Company has allotted 10,742,533 Equity Share to Qualified Institutional buyers in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009.
- 9 Information on Standalone Results :-

Particulars	3 months ended 30.09.2010	Recasted 3 months ended 30.09.2009 (Refer note (a))	9 months ended 30.09.2010	Recasted 9 months ended 30.09.2009 (Refer note (a))	12 months ended 31.12.2009
	(1)	(2)	(3)	(4)	(5)
Turnover	12,672.08	11,899.47	37,672.76	34,312.14	76,944.20
Profit before Tax	1,065.21	(2,152.95)	964.91	4,076.00	11,655.43
Profit after Tax	1,065.21	(1,464.32)	712.83	4,435.08	10,551.43

Note:

- (c) The results for the period ended Sept 30, 2009 have been recasted in Column 2 and 4, to includes results of Merged entities and exclude the results of the Specialties business (which were hived off pursuant to a slump sale on December 30, 2009) to make them comparable with that of the operations for the quarter ended September 30, 2010. The figures in column 2 and 4 in the above table has not been reviewed by the auditors.
- 10 The Company's operations fall within a single business segment viz. "Pharmaceuticals Products" and as such there is no reportable segment information as per Accounting Standard 17 issued under the relevant provision of the Companies Act, 1956.
- 11 Investor grievances received and disposed off during the quarter ended September 30, 2010 :
- a) Pending complaints at the beginning of the quarter - Nil b) No. of Complaints received - 23
- c) Complaints disposed - 23 d) Complaints unresolved - Nil
- 12 Basic and Diluted EPS is not annualised for the period ended September 30, 2009 and September 30, 2010.
- 13 The previous year's / period's figures have been regrouped wherever necessary to conform to the current period's classification.

Bangalore
October 27, 2010



For and on behalf of the Board
Arun Kumar
Vice Chairman & Managing Director