

UNAUDITED FINANCIAL RESULTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2010

Rs. in Lakhs

Sl. No.	Particulars	UNAUDITED						AUDITED
		3 Months ended 30.09.2010	Recasted 3 Months ended 30.09.2009 (Refer Note 12)	3 Months ended 30.09.2009 (Refer Note 11)	9 Months ended 30.09.2010	Recasted 9 Months ended 30.09.2009 (Refer Note 12)	9 Months ended 30.09.2009 (Refer Note 11)	
1	(a) Net Sales / Income from Operations	12,672.08	11,899.47	17,995.21	37,672.76	34,312.14	56,225.20	76,944.20
	(b) Other Operating Income	915.51	7.74	447.74	1,086.08	771.92	1,311.92	1,530.22
	Total Income	13,587.59	11,907.21	18,442.95	38,758.84	35,084.06	57,537.12	78,474.42
2	Expenditure	(471.31)	(731.50)	(929.84)	(627.12)	(1,206.13)	(1,219.98)	(1,198.64)
	(c) (Increase) / decrease in stock in trade and work in progress	6,877.57	6,862.30	9,838.85	17,482.59	17,550.67	28,011.55	40,929.25
	(c) Purchase of traded goods	2,082.79	1,837.34	1,837.34	5,085.43	4,139.88	4,139.88	3,804.32
	(d) Employee cost	1,104.72	1,281.26	2,424.01	3,743.53	3,383.41	6,251.55	8,366.03
	(e) Depreciation	348.91	456.03	538.80	1,039.02	1,346.11	1,588.11	2,268.54
	(f) Other Expenditure	1,927.84	2,266.70	3,177.03	6,033.60	6,486.49	10,018.60	13,670.04
	Total Expenditure	11,870.52	11,972.13	16,886.19	32,757.05	31,700.43	48,789.71	67,839.54
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	1,717.07	(64.92)	1,556.76	6,001.79	3,383.63	8,747.41	10,634.88
4	Other Income	-	-	-	62.04	-	-	-
5	Profit before Interest & Exceptional Items (3+4)	1,717.07	(64.92)	1,556.76	6,063.83	3,383.63	8,747.41	10,634.88
6	Interest	2,127.29	1,646.19	1,781.18	5,828.16	4,128.92	4,889.97	6,195.60
7	Profit after Interest but before Exceptional Items (5-6)	(410.22)	(1,711.11)	(224.42)	235.67	(745.29)	3,857.44	4,439.28
8	Exceptional Items:							
	- Exchange Fluctuation (loss) / gain (Net)	1,594.97	(256.32)	(256.32)	1,961.51	1,726.00	1,726.00	4,986.08
	- Exchange (loss) / gain on restatement of Hedged Investments	(458.31)	1,60.88	1,60.88	(482.92)	(593.27)	(593.27)	(1,070.08)
	- Changes in fair value of Options embedded in FCCBs	338.77	(346.40)	(346.40)	(749.35)	(300.40)	(300.40)	(411.15)
	- Profit on FCCB Buyback	-	-	-	-	3,490.56	3,490.56	2,911.69
	- Interest reversal on FCCB Buyback	-	-	-	-	498.40	498.40	799.61
9	Profit / (Loss) from Ordinary Activities before tax (7+ 8)	1,065.21	(2,152.95)	(666.26)	964.91	4,076.00	8,678.73	11,655.43
10	Tax Expense / (Credit)	-	(688.63)	(688.63)	252.08	(359.08)	(359.08)	1,104.00
11	Net Profit / (Loss) from Ordinary activities after tax (9-10)	1,065.21	(1,464.32)	22.37	712.83	4,435.08	9,037.81	10,551.43
	Profit from Continuing Operations	1,065.21	(2,152.95)	(2,152.95)	964.91	4,076.00	4,076.00	7,252.92
	Less: Tax expense	-	(688.63)	(688.63)	252.08	(359.08)	(359.08)	1,089.40
	Net Profit from Continuing Operations	1,065.21	(1,464.32)	(1,464.32)	712.83	4,435.08	4,435.08	6,163.52
	Profit from Discontinued Operations	-	-	1,486.69	-	-	4,602.73	4,402.51
	Less: Tax expense	-	-	-	-	-	-	14.60
	Net Profit from Discontinued Operations	-	-	1,486.69	-	-	4,602.73	4,387.91
12	Extraordinary Item	-	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	1,065.21	(1,464.32)	22.37	712.83	4,435.08	9,037.81	10,551.43

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		3 Months ended 30.09.2010	3 Months ended 30.09.2009 (Refer Note 12)	3 Months ended 30.09.2009 (Refer Note 11)	9 Months ended 30.09.2010	9 Months ended 30.09.2009 (Refer Note 12)	9 Months ended 30.09.2009 (Refer Note 11)	12 Months ended 31.12.2009
		(1)	(2)	(3)	(4)	(5)	(6)	(7)
14	Paid-up Equity Share Capital (Face value of Rs.10/-each)	4,692.11	4,015.56	4,015.56	4,692.11	4,015.56	4,015.56	4,021.56
15	Reserves excluding revaluation reserves							82,094.99
16	Earnings per Share (EPS) :							
	Basic & Diluted EPS after Extraordinary Items for the year (Rs. per share)							
	(a) Basic EPS	2.18	(3.87)	(0.16)	1.05	10.43	21.92	25.46
	(b) Diluted EPS	0.54	(3.87)	(0.16)	0.97	9.85	18.59	18.06
17	Aggregate of Public shareholding :							
	(a) Number of shares	30,627,765	29,824,686	29,824,686	30,627,765	29,824,686	29,824,686	29,884,686
	(b) Percentage of shareholding	65.27%	74.27%	74.27%	65.27%	74.27%	74.27%	74.31%
18	Promoters and Promoter group shareholding :							
	(a) Pledged / Encumbered							
	- Number of shares	8,196,000	6,896,000	6,896,000	8,196,000	6,896,000	6,896,000	6,896,000
	- Percentage of shareholding (as a % of the total share holding of promoter and promoter group)	50.30%	66.75%	66.75%	50.30%	66.75%	66.75%	66.75%
	- Percentage of shareholding (as a % of the total share capital of the Company)	17.47%	17.17%	17.17%	17.47%	17.17%	17.17%	17.15%
	(b) Non Pledged / Non Encumbered							
	- Number of shares	8,097,373	3,434,928	3,434,928	8,097,373	3,434,928	3,434,928	3,434,928
	- Percentage of shareholding (as a % of the total share holding of promoter and promoter group)	49.70%	33.25%	33.25%	49.70%	33.25%	33.25%	33.25%
	- Percentage of shareholding (as a % of the total share capital of the Company)	17.26%	8.55%	8.55%	17.26%	8.55%	8.55%	8.54%

Notes :

- 1 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.
- 2 The Statutory Auditors have carried out a limited review of the above standalone results (except for column (2) & (5) and note 12 below).
- 3 Consequent to the approval of Scheme of Arrangement by the Honble High Courts of Judicature during the year ending December 31, 2009, the Company has utilised the Reserve for Business Restructure (BRR) as under:

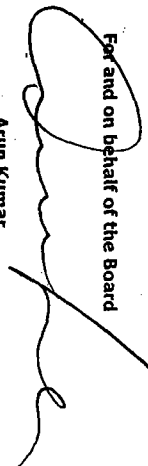
Particulars	Quarter Ended 30.09.2010	Quarter Ended 30.09.2009	Nine Months Ended 30.09.2010	Nine Months Ended 30.09.2009	Year Ended 31.12.2009
Utilisation of BRR :					
- Impairment of Fixed Assets	-	-	-	-	726.98
Current Assets	-	-	-	-	9,029.38
Investments	-	-	-	-	277.83
- Compensation in respect of product return & early termination of procurement contract	-	-	-	-	3,645.73
- Depreciation and Amortisation	417.31	287.50	1,251.93	862.50	1,150.00
- Employee compensation	60.09	-	515.51	-	6,776.45
- Other expenses	-	-	36.34	-	1,171.33
Realisation of assets written off earlier	-	-	(460.16)	-	-
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 been decreased by :	477.40	287.50	1,343.62	862.50	22,777.70
Revised earnings / (loss) per share (EPS) (Face value of Rs. 10/-each) (Rs.)					
Basic	1.12	(0.88)	(2.05)	19.77	(31.34)
Diluted	(0.35)	(0.88)	(2.05)	16.95	(31.34)

- 4 During the quarter, 1,62,000 equity shares were allotted on exercising equal number of options under Stides Arcolab ESOP 2008 Scheme of the Company. Further, 137,500 options were granted to eligible employees of the Company under Stides Arcolab ESOP 2008 Scheme.
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.
- 5 On October 1, 2010, the Company has allotted 10,742,533 equity shares to Qualified Institutional Buyers in terms of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- 6 Consequent to binding agreement entered between the Company and Aspen Pharmacare Holdings Limited (Aspen) for purchase of their shares in Onco Therapies Limited for a consideration of USD 37.36 million, the Company has discharged the said consideration.
- 7 The Company through one of its subsidiaries entered into a binding agreement with Aspen Global Incorporated (Aspen) for purchase of a manufacturing facility at Campos, Brazil, subject to regulatory approvals, and the subsidiary contemporaneously divested its 49% shareholding in Pharmalinda Holdings Limited. Pending receipt of regulatory approvals for the acquisition and fair valuation of Assets and Liabilities that will be acquired, the Company continues to carry the investment in the subsidiary at book value.
- 8 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.

- 9 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.
- 10 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
- 11 The figures of period ended September 30, 2009 have been recasted to reflect the amalgamation of certain subsidiaries into the Company with effect from January 1, 2009 as approved by the Hon'ble High Courts of Judicature.
- 12 The results for the period ended September 30, 2009 have been recasted in column 2 & column 5 to include certain subsidiaries merged into the Company 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 period ended September 30, 2010.
- 13 Basic and Diluted EPS is not annualised for the period ended September 30, 2009 and September 30, 2010.
- 14 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