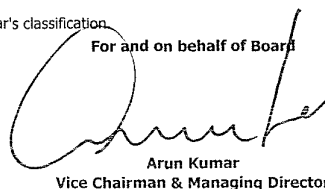


Sl. No.	Particulars	AUDITED	
		12 Months ended 31.12.2008	12 Months ended 31.12.2007
1	(a) Net Sales / Income from Operations	59,313.75	41,322.52
	(b) Other Operating Income	6,877.32	1,802.12
	<b>Total Income</b>	<b>66,191.07</b>	<b>43,124.64</b>
2	Expenditure		
	(a) (Increase) / decrease in stock in trade and work in progress	(442.40)	(937.22)
	(b) Consumption of materials	30,844.20	21,350.19
	(c) Purchase of traded goods	3,804.32	2,836.28
	(d) Employee cost	6,314.51	5,162.27
	(e) Depreciation	1,887.67	1,888.79
	(f) Other Expenditure	12,155.31	14,331.34
	<b>Total Expenditure</b>	<b>54,563.61</b>	<b>44,631.65</b>
3	<b>Profit / (Loss) from Operations before Other Income, Interest &amp; Exceptional Items (1-2)</b>	<b>11,627.46</b>	<b>(1,507.01)</b>
4	Other Income	22.12	-
5	<b>Profit / (Loss) before Interest &amp; Exceptional Items (3+4)</b>	<b>11,649.58</b>	<b>(1,507.01)</b>
6	Interest	6,542.73	4,549.65
7	<b>Profit / (Loss) after Interest but before Exceptional Items (5-6)</b>	<b>5,106.85</b>	<b>(6,056.66)</b>
8	Exceptional Items:		
	- Exchange Fluctuation loss / (gain) (Net)	18,419.36	(2,407.33)
	- Impairment in Investments	-	8,153.22
	- Exchange gains on restatement of Hedged investments	(9,234.02)	-
	- Changes in fair value of Options embedded in FCCBs	(4,522.15)	-
9	<b>Profit / (Loss) from Ordinary Activities before tax (7- 8)</b>	<b>443.66</b>	<b>(11,802.55)</b>
10	Provision for Taxation - Current tax	140.00	350.00
	- Deferred tax	(210.00)	(667.00)
	- Fringe benefit tax	40.20	35.80
	- MAT Credit entitlement	(140.00)	-
11	<b>Net Profit / (Loss) from Ordinary activities after tax (9-10)</b>	<b>613.46</b>	<b>(11,521.35)</b>
12	Extraordinary Item	-	-
13	<b>Net Profit / (Loss) for the period</b>	<b>613.46</b>	<b>(11,521.35)</b>
14	Paid-up Equity Share Capital (Face value of Rs.10/-each)	4,005.00	3,500.40
15	Reserves excluding revaluation reserves	28,973.30	16,032.94
16	Earnings per Share (EPS)		
	Basic & Diluted EPS after Extraordinary items for the year (Rs.)		
	(a) Basic EPS	0.69	(33.98)
	(b) Diluted EPS	0.69	(33.98)
17	Aggregate of Public shareholding :		
	(a) Number of shares	29,707,086	28,417,595
	(b) Percentage of shareholding	74.17%	81.18%

**Notes :**

- The above results of the Company were reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on February 25, 2009.
- During the year:
  - The Company transferred its 67% stake in Strides Latina SA, Uruguay to Lakerose Limited, Cyprus.
  - Aspen Global Incorporated, Mauritius acquired 50% stake in Lakerose Limited, Cyprus. Consequent to this, Lakerose Limited, Cyprus and its subsidiaries, viz., Strides Latina SA, Uruguay, Cellofarm Ltda, Brazil, Strides Mexicana SA De CV, Mexico (which became subsidiary of Strides Latina SA, Uruguay), Solara SA De CV, Mexico and Casa Representaciones Sumifarma C.A, Venezuela ceased to be subsidiaries of the Company.
  - Quantum Remedies Private Limited, Bangalore was incorporated as a wholly owned subsidiary of Quantum Life Sciences Private Limited, a wholly owned subsidiary of the Company.
  - In terms of agreement entered with Ascent Pharmahealth Limited (Ascent) (formerly Genepharm Australia Pty Ltd), the Company acquired majority share holding in Ascent by transferring its business of distribution of pharmaceutical products in Australia and specific countries in Asia in exchange for shares in Ascent. Consequently, an income of Rs.2,081.48 Lakhs has been recognised on account of assignment of Company's existing independent supply contracts in favour of Strides Singapore Pte Limited, Singapore, a wholly owned subsidiary of Ascent.
  - the 81% shareholding in Strides Italia S.r.l, Italy held by Linkace Ltd, a step down subsidiary was disposed.
  - Starsmore Limited, Cyprus, a wholly owned subsidiary, ceded controlling interest in the Latin American Ventures and now hold 49% equity in the Ventures for a transition period until June 30, 2009 when the Company intends to sell the remaining 49% to Aspen Pharmacare Holdings Limited, South Africa, for an agreed multiple of EBITDA.
  - the Company allotted 5,045,725 equity shares of Rs.10 each at a premium of Rs.390 per equity share upon conversion of equivalent number of fully convertible debentures. The equity shares were allotted to Dobliss Holdings Limited (3,111,440 equity shares) and to Blissup Holdings Limited (1,934,285 equity shares)
  - the Company granted 600,000 Employee Stock Options under the Strides Arcolab ESOP 2006 scheme and 665,000 Employee Stock Options under the Strides Arcolab ESOP 2008 to certain eligible employees. Out of 400,000 Options granted under Strides Arcolab ESOP 2006 scheme in 2007, 80,000 Options have lapsed.
- The Company forfeited the upfront money of Rs.1,898.65 Lakhs received from promoter group company for issue of 5,555,000 warrants, as these warrants were not converted into equity shares
- The Company early adopted Accounting Standard 30 "Financial Instrument: Recognition and Measurement" with effect from January 1, 2008 and the limited revisions to other Accounting Standards which come into effect upon adoption of Accounting Standard 30. Consequent to the adoption of the above Standard, the limited revision to other Standards, and pursuant to designation of certain hedging relationship, the net profit for the year is higher by Rs. 12,606.80 Lakhs. Further, the reserves (excluding revaluation reserve) as at December 31, 2007 excludes debit of Rs. 2,776.80 Lakhs, being the transitional adjustment pursuant to adoption of the above Standard.
- Exchange fluctuation loss (net) is on account of restatement of foreign currency convertible bonds, External Commercial Borrowings and losses on forward exchange contracts.
- The Company operates exclusively in the Pharmaceuticals business segment and as such there is no reportable segment information as per Accounting Standard 17.
- Investor grievances received and disposed off during the quarter ended December 31, 2008 :
  - Pending complaints at the beginning of the quarter - Nil
  - No. of Complaints received - 12
  - Complaints disposed - 12
  - Complaints unresolved - Nil
- Previous year's figures have been recast / restated wherever necessary to conform to the current year's classification.

For and on behalf of Board



Arun Kumar  
 Vice Chairman & Managing Director