



Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 705.
Corp. Office: "Strides House", Billekahalli, Bannerghatta Road, Bangalore-560 076.

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER ENDED JUNE 30, 2009**

Rs.in Lakhs

Sl. No.	Particulars	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		3 Months ended 30.06.2009	3 Months ended 30.06.2008	6 Months ended 30.06.2009	6 Months ended 30.06.2008	12 months ended 31.12.2008
1	(a) Net Sales / Income from Operations	30,975.54	25,535.33	59,401.31	46,233.10	102,033.10
	(b) Other Operating Income	123.00	2,063.51	860.20	4,071.71	5,958.28
	Total Income	31,098.54	27,598.84	60,261.51	50,304.81	107,991.38
2	Expenditure					
	(a) (Increase) / decrease in stock in trade & work in progress	(134.06)	(2,027.88)	(1,625.97)	(2,871.37)	(3,562.87)
	(b) Consumption of raw materials	10,013.19	11,428.77	22,301.10	20,170.14	40,117.23
	(c) Purchase of traded goods	6,513.78	1,822.01	10,732.49	3,626.90	15,845.82
	(d) Employees cost	4,262.88	4,506.99	8,426.61	8,730.45	18,000.55
	(e) Depreciation	1,157.62	1,077.83	2,167.57	2,116.52	4,006.38
	(f) Other Expenditure	6,993.10	5,688.22	12,015.81	11,123.03	24,669.38
	Total Expenditure	28,806.51	22,495.93	54,017.61	42,895.67	99,076.49
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	2,292.03	5,102.91	6,243.90	7,409.14	8,914.89
4	Other Income (net)	-	(307.72)	-	5,859.63	25,133.26
5	Profit before Interest & Exceptional Items (3+4)	2,292.03	4,795.19	6,243.90	13,268.77	34,048.15
6	Interest	1,809.94	1,284.28	3,750.74	3,070.40	8,469.75
7	Profit after Interest but before Exceptional Items (5-6)	482.09	3,510.91	2,493.16	10,198.37	25,578.40
8	Exceptional Items					
	- Exchange Fluctuation loss (net)	(513.07)	7,769.20	1,483.83	8,680.96	2,053.14
	- Profit on sale of Plant	(1,157.11)	-	(1,157.11)	-	-
	- Impairment in investments	-	-	-	-	16,559.43
	- Changes in fair value of Options embedded in FCCBs	1,043.35	-	(46.00)	-	(4,522.15)
	- Profit on FCCB Buyback	(3,490.56)	-	(3,490.56)	-	-
	- Interest reversal on FCCB Buyback	(498.40)	-	(498.40)	-	-
9	Profit from ordinary activities before tax (7-8)	5,097.88	(4,258.29)	6,201.40	1,517.41	11,487.98
10	Tax Expenses	668.46	578.66	750.19	939.74	1,079.38
11	Net Profit from ordinary activities after tax (9-10)	4,429.42	(4,836.95)	5,451.21	577.67	10,408.60
12	Extraordinary Item	-	-	-	-	-
13	Net Profit for the period (11-12)	4,429.42	(4,836.95)	5,451.21	577.67	10,408.60
	(a) Share of Minority Interest	252.39	(47.32)	226.00	(202.58)	(387.78)
	(b) Share in associate	-	-	-	-	-
14	Consolidated Profit after Minority Interest & Share from Associates	4,177.03	(4,884.27)	5,225.21	375.09	10,796.38
15	Paid-up Equity Share Capital (Face value of Rs.10/-each)	4,005.00	4,005.00	4,005.00	4,005.00	4,005.00
16	Reserves excluding revaluation reserves					32,441.12
17	Basic & Diluted EPS (Rs.) (Not Annualised)					
	(a) Basic EPS	10.21	(12.69)	12.62	0.54	26.91
	(b) Diluted EPS	2.67	(12.69)	10.45	0.54	24.70
18	Aggregate of Public shareholding :					
	(a) Number of shares	29,719,086	30,689,683	29,719,086	30,689,683	29,707,086
	(b) Percentage of shareholding	74.20%	76.63%	74.20%	76.63%	74.17%
	Promoters and Promoter group shareholding :					
	(a) Pledged / Encumbered					
	- Number of shares	6,896,000	-	6,896,000	-	-
	- Percentage of shareholding	17.22%	-	17.22%	-	-
	(b) Non Pledged / Encumbered					
	- Number of shares	3,434,928	-	3,434,928	-	-
	- Percentage of shareholding	8.58%	-	8.58%	-	-

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 Consolidated results for the quarter / half year ended June 30, 2009 were reviewed by the Audit Committee and taken on records by the Board of Directors at their meeting held on July 30, 2009. The Statutory Auditors have carried out limited review for the Quarter / half year ended June 30, 2009
- 3 A scheme of arrangement between the Company and its shareholders under section 391 and 393 of the Companies Act, 1956, has been approved by the Board of Directors and shareholders at their meetings held on April 13, 2009 and June 24, 2009 respectively and have been filed with the Honorable High Court of Mumbai. The terms of the said scheme provides interalia for merger of certain Indian subsidiaries within the Group into the parent Company with effect from January 1, 2009, fair valuation of assets and liabilities to be determined by the Board of Directors and creation of Business restructuring reserve to be utilized amongst others for providing for diminution in the value of assets if any. Pending approval of the Scheme by the Honorable High Court and determination of the assets and liabilities to be fair valued, no transactions under the Scheme has been given effect to in the accompanying statement of unaudited financial results.
- 4 During the quarter ended June 30, 2009, 'Strides Technology and Research Private Limited' became a wholly owned subsidiary of the Company and has renamed one of its wholly owned subsidiary, Quantum Life Sciences Private Limited as 'Strides Specialities Private Limited'.
- 5 During the quarter, the Company has repurchased and cancelled Foreign Currency Convertible Bonds (FCCBs), in accordance with RBI Policy, aggregating to USD 20,500,000. The Profits arising from the above is included under Exceptional items for the period ended June 30, 2009.
- 6 During the quarter, the Ascent Pharmahealth (Asia) Pte Limited, Singapore, a wholly owned subsidiary of Ascent Pharmahealth Limited, Australia, completed the acquisition of Green Cross Pharma Pte Limited, Singapore.
- 7 During the quarter, the Company allotted 6,200,000 Warrants to Promoter Group Company & relatives of Promoters at a price of Rs. 91.15 per Warrant with an option to convert into 6,200,000 equity shares of Rs. 10/- each at a premium of Rs. 81.15 per share. The said Warrants are due for conversion at anytime within 18 months from the date of allotment of Warrants.
- 8 Out of 200,000 & 600,000 options issued to certain eligible employees under the Strides Arcolab ESOP 2006 and ESOP 2008 Scheme respectively, 60,000 and 120,000 options have lapsed during the quarter.
- 9 The Company early adopted Accounting Standard – 30 Financials Instrument: Recognition and Measurement during the year ended December 31, 2008. Consequently, the net profits for the year ended December 31, 2008 includes Rs. 14,077.80 Lakhs on adjustments made in pursuance of the said Standard
- 10 Exceptional items for the quarter include net profit of Rs.1,157.11 lakhs earned on sale of the facility owned by a subsidiary located in USA.
- 11 Exchange fluctuation gain (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 taken, gains/losses on forward exchange option contracts, net of exchange fluctuations in loans attributed to the loans that have been designated as hedging instruments against Net investment in foreign operations.
- 12 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
- 13 Investors grievances received and disposed off during the quarter ended June 30, 2009:
(b) Pending complaints at the beginning of the quarter – Nil (b) No. of complaints received – 7 (c) Complaints disposed – 7 (d) Complaints unresolved at the end of the quarter – Nil
- 14 Previous period figures have been regrouped wherever necessary to conform to the current period's classification.

For and on behalf of the Board

**Arun Kumar
Vice Chairman & Managing Director**

**Bangalore
July 30, 2009**