



Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 705.

Corp. Office: "Strides House", Billekahalli, Bannerghatta Road, Bangalore-560 076.

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

Rs.in Lakhs

Sl. No.	Particulars	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	17,540.67	16,077.45	34,516.49	28,046.21	59,313.75
	(b) Other Operating Income	40.60	734.49	1,183.59	1,370.10	6,046.50
	Total Income	17,581.27	16,811.94	35,700.08	29,416.31	65,360.25
2	Expenditure					
	(a) (Increase) / decrease in stock in trade and work in progress	812.75	(173.43)	(278.05)	(83.75)	(442.40)
	(b) Consumption of materials	7,600.02	8,829.06	17,399.97	14,763.33	30,844.20
	(c) Purchase of traded goods	1,598.46	448.33	2,283.22	1,496.70	3,804.32
	(d) Employee cost	1,552.49	1,677.88	3,094.91	2,946.99	6,314.51
	(e) Depreciation	472.30	478.77	921.92	972.37	1,887.67
	(f) Other Expenditure	4,043.49	2,766.84	6,253.65	5,065.32	12,155.31
	Total Expenditure	16,079.51	14,027.45	29,675.62	25,160.96	54,563.61
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	1,501.76	2,784.49	6,024.46	4,255.35	10,796.64
4	Other Income	-	-	-	-	22.12
5	Profit before Interest & Exceptional Items (3+4)	1,501.76	2,784.49	6,024.46	4,255.35	10,818.76
6	Interest	1,452.31	1,026.09	3,022.31	2,377.74	6,542.73
7	Profit after Interest but before Exceptional Items (5-6)	49.45	1,758.40	3,002.15	1,877.61	4,276.03
8	Exceptional Items:					
	- Exchange Fluctuation loss / (gain) (Net)	(5,827.94)	7,347.01	(1,907.78)	9,062.02	17,588.54
	- Exchange loss / (gain) on restatement of Hedged investments	2,795.39	-	754.15	-	(9,234.02)
	- 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 / (Loss) from Ordinary Activities before tax (7- 8)	6,027.61	(5,588.61)	8,190.74	(7,184.41)	443.66
10	Provision for Taxation - Current tax	596.00	-	841.00	-	140.00
	- Deferred tax	-	-	-	-	(210.00)
	- Fringe benefit tax	15.00	7.50	30.00	16.50	40.20
	- MAT Credit entitlement	(596.00)	-	(841.00)	-	(140.00)
11	Net Profit / (Loss) from Ordinary activities after tax (9-10)	6,012.61	(5,596.11)	8,160.74	(7,200.91)	613.46
12	Extraordinary Item	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	6,012.61	(5,596.11)	8,160.74	(7,200.91)	613.46
14	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
15	Reserves excluding revaluation reserves	-	-	-	-	28,973.30
16	Earnings per Share (EPS) :					
	Basic & Diluted EPS after Extraordinary items for the year (Rs.) (Not annualised)					
	(a) Basic EPS	14.80	(14.51)	19.95	(19.60)	0.69
	(b) Diluted EPS	6.02	(14.51)	16.70	(19.60)	0.69
17	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%
18	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 Encumbered					
	- Number of shares	3,434,928	-	3,434,928	-	-
	- Percentage of shareholding	8.58%	-	8.58%	-	-

Notes :

- 1 The above standalone 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 July 30, 2009.
- 2 The Statutory Auditors have carried out a limited review of the standalone results.
- 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 into the 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 Specialties Private Limited'.
- 5 During the quarter, the shareholders have accorded their approval to sell the undertakings comprising 'Specialty Pharmaceuticals business' and 'Research and Development business', on a going concern basis, to Strides Specialties Private Limited and Strides Technology and Research Private Limited, respectively, with effect from July 1, 2009 or such date and terms as may be decided by the Board of Directors.
- 6 During the quarter, 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 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.
- 8 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.
- 9 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.
- 10 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. 12,606.80 Lakhs on adjustments made in pursuance of the said Standard.
- 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 gains/losses on forward exchange option contracts.
- 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 Investor grievances received and disposed off during the quarter ended June 30, 2009 :
 - a) Pending complaints at the beginning of the quarter – Nil
 - b) No. of Complaints received - 7
 - c) Complaints disposed - 7
 - d) Complaints unresolved - Nil
- 14 Previous period figures have been regrouped wherever necessary to conform to the current period's classification.

For and on behalf of Board

**Arun Kumar
Vice Chairman & Managing Director**

Bangalore, July 30, 2009