



Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

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

**UNAUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER ENDED JUNE 30, 2010**

Rs. in Lakhs

Sl. No.	Particulars	UNAUDITED				AUDITED
		3 Months ended 30.06.2010	3 Months ended 30.06.2009	6 Months ended 30.06.2010	6 Months ended 30.06.2009	12 Months ended 31.12.2009
1	(a) Net Sales / Income from Operations	45,446.57	30,975.54	82,801.63	59,401.31	130,477.14
	(b) Other Operating Income	2,926.84	123.00	3,724.13	860.20	2,355.86
	Total Income	48,373.41	31,098.54	86,525.76	60,261.51	132,833.00
2	Expenditure					
	(a) (Increase) / decrease in stock in trade & work in progress	(866.59)	(134.06)	(3,195.12)	(1,625.97)	(2,652.93)
	(b) Consumption of materials	10,721.04	10,013.19	22,222.27	22,301.10	44,589.56
	(c) Purchase of traded goods	9,810.48	6,513.78	16,898.02	10,732.49	28,139.97
	(d) Employees cost	5,301.53	4,262.88	10,681.39	8,426.61	18,080.65
	(e) Cost of product rights transferred	3,680.86	-	4,585.43	-	-
	(f) Depreciation	1,483.82	1,157.62	3,076.91	2,167.57	4,919.02
	(g) Other Expenditure	6,675.83	6,993.10	13,694.51	12,015.81	23,626.37
	Total Expenditure	36,806.97	28,806.51	67,963.41	54,017.61	116,702.64
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	11,566.44	2,292.03	18,562.35	6,243.90	16,130.36
4	Other Income (net)	0.82	-	0.82	-	1.11
5	Profit before Interest & Exceptional Items (3+4)	11,567.26	2,292.03	18,563.17	6,243.90	16,131.47
6	Interest (Net)	3,634.62	1,809.94	6,231.58	3,750.74	7,590.71
7	Profit after Interest but before Exceptional Items (5-6)	7,932.64	482.09	12,331.59	2,493.16	8,540.76
8	Exceptional Items					
	- Exchange Fluctuation Gain / (Loss) - (Net)	(2,097.63)	513.07	(355.69)	(1,483.83)	1,316.36
	- Profit on sale of Plant	-	1,157.11	-	1,157.11	1,136.54
	- Changes in fair value of Options embedded in FCCBs Gain / (Loss)	26.61	(1,043.35)	(1,088.12)	46.00	(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 from ordinary activities before tax (7+8)	5,861.62	5,097.88	10,887.78	6,201.40	14,293.81
10	Tax Expenses / (credit)	872.56	668.46	1,586.06	750.19	2,189.88
11	Net Profit from ordinary activities after tax (9-10)	4,989.06	4,429.42	9,301.72	5,451.21	12,103.93
12	Extraordinary Item	-	-	-	-	-
13	Net Profit for the year / period (11-12)	4,989.06	4,429.42	9,301.72	5,451.21	12,103.93
14	(a) Share of Minority Interest	413.41	252.39	743.06	226.00	1,135.54
14	Consolidated Profit after Minority Interest	4,575.65	4,177.03	8,558.66	5,225.21	10,968.39
15	Paid-up Equity Share Capital (Face value of Rs.10/-each)	4,353.91	4,005.00	4,353.91	4,005.00	4,021.56
16	Reserves excluding revaluation reserves	-	-	-	-	72,409.18
17	Basic & Diluted EPS (Rs.)					
	(a) Basic EPS	10.33	10.21	19.78	12.62	26.49
	(b) Diluted EPS	9.12	2.67	17.18	10.45	19.67
18	Aggregate of Public shareholding :					
	(a) Number of shares	30,465,765	29,719,086	30,465,765	29,719,086	29,884,686
	(b) Percentage of shareholding	69.97%	74.20%	69.97%	74.20%	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)	62.69%	66.75%	62.69%	66.75%	66.75%
	- Percentage of shareholding (as a % of the total share capital of the Company)	18.83%	17.22%	18.82%	17.22%	17.15%
	(b) Non Pledged / Non Encumbered					
	- Number of shares	4,877,373	3,434,928	4,877,373	3,434,928	3,434,928
	- Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	37.31%	33.25%	37.31%	33.25%	33.25%
	- Percentage of shareholding (as a % of the total share capital of the Company)	11.20%	8.58%	11.20%	8.58%	8.54%

STATEMENT OF ASSETS AND LIABILITIES AS AT

Rs. in Lakhs

Particulars	30.06.2010	30.06.2009	31.12.2009
	Unaudited (A)	Unaudited (B)	Audited (C)
SOURCES OF FUNDS			
A. Shareholders' Fund	9,269.97	8,921.06	8,937.62
B. Monies pending allotment	734.16	1,413.60	1,414.95
C. Employees stock options outstanding account	251.20	218.01	345.35
D. Reserves and surplus	74,015.36	42,107.73	72,409.20
E. Minority Interest	25,885.17	22,977.27	25,850.37
F. Loan funds	168,293.26	133,894.55	145,687.23
G. Deferred Tax Liabilities	636.95	877.11	341.49
Total	279,086.07	210,409.33	254,986.21
APPLICATION OF FUNDS			
A. Fixed assets (Net)	99,206.45	69,241.70	93,187.55
B. Goodwill on Consolidation	138,030.17	65,379.70	100,936.94
C. Investments (Refer note a below)	34,077.35	33,553.01	34,136.06
D. Deferred Tax Assets	-	576.30	111.46
E. Current assets			
- Inventories	27,937.44	20,363.71	23,341.97
- Sundry Debtors	31,530.77	33,506.88	41,606.26
- Unbilled Revenue	3,149.65	8,323.85	3,033.12
- Cash and bank balances	7,823.46	5,069.53	9,120.09
- Loans and advances	32,661.23	17,513.38	17,506.73
F. Current Liabilities & Provisions			
- Current liabilities	(79,131.75)	(36,708.65)	(50,566.01)
- Provisions	(17,300.31)	(6,410.08)	(17,427.96)
Net Current Assets	6,670.49	41,658.62	26,614.20
G. Miscellaneous Expenditure (To the extent not written off or Adjusted)	1,101.61	-	-
Total	279,086.07	210,409.33	254,986.21

Note: a) The Company entered into a binding agreement with Aspen Global Incorporated for purchase of manufacturing facility at Campos, Brazil, subject to regulatory approvals, and contemporaneously divested its 49% stake in Pharamalatina Holdings Limited. Pending receipt of regulatory approvals and Fair valuation of Assets & Liabilities that will be acquired, the Company continues to carry the Investments in Pharamalatina Holdings Limited at book value.

b) The figures disclosed in the column B in the above table do not include the effects of accounting prescribed under the Composite Scheme of Arrangement approved by Hon'ble High Courts of Judicatures, which became effective from December 31, 2009 and hence not comparable. Figures in this column have not been reviewed by the Statutory Auditors.

Notes :

- 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).
- 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 at Warszawa, Poland on July 27, 2010.
- 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:

Particulars	Rs. in Lakhs Quarter Ended 30.06.2010	Rs. in Lakhs Quarter Ended 30.06.2009	Rs. in Lakhs half year Ended 30.06.2010	Rs. in Lakhs half year Ended 30.06.2009	Rs. in Lakhs Year Ended 31.12.2009
-Impairment of :					
Fixed Assets	-	-	-	-	726.98
Current Assets	-	-	-	-	9,029.38
Interest on Purchase consideration	572.86	-	572.86	-	-
Investments/ Goodwill written off	-	-	-	-	19,344.95
- Compensation in respect of product return & early termination of procurement contract	-	-	-	-	3,645.73
- Depreciation and Amortisation	417.31	287.50	834.62	575.00	1,150.00
- Employee compensation	1.76	-	455.41	-	6,776.45
- Other expenses	-	-	36.34	-	1,171.33
Realisation of assets written off earlier	(354.64)	-	(460.16)	-	-
Impact if the Company followed the Accounting Standards instead of the accounting treatment provided in the Scheme :-					
On Net Profit for the half year ended June 30, 2010 - Decrease	637.29	287.50	1,439.07	575.00	41,844.82
Earnings / (Loss) per share (Face value of Rs.10/-each) (Rs.)					
Basic	8.86	9.50	16.38	11.18	(77.87)
Diluted	7.95	2.14	14.62	9.23	(77.87)

- 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.
- During the quarter:
 - 330,000 equity shares were issued on exercising equal number of ESOP under various ESOP Schemes of the Company. Further, 100,000 options were granted to eligible employees of the Company under Strides Arcolab ESOP 2008 scheme
 - 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 during this quarter as fully controlled entities. An amount of Rs. 37,152 Lakhs is yet to be discharged in respect of the above acquisitions and have been included under current liabilities in the statement of Assets & Liabilities.
 - The Company has incorporated Strides Farmaceutica Participacoes LTDA, Brazil through its step down subsidiary Starsmore Limited, Cyprus .
- On July 01, 2010, the Company acquired the balance share holdings in Co Pharma Ltd, UK from Aspen and divested its Investment in Formule Naturalle Pty Limited South Africa to Aspen.
- Information on Standalone Results : -

Particulars	Rs. in Lakhs				
	3 months ended 30.06.2010	Recasted 3 months ended 30.06.2009 (Refer note (a))	6 months ended 30.06.2010	Recasted 6 months ended 30.06.2009 (Refer note (a))	12 months ended 31.12.2009
	(1)	(2)	(3)	(4)	(5)
Turnover	11,861.90	12,752.88	25,000.68	22,412.67	76,944.20
Profit before Tax	(1,358.82)	5,971.41	(100.29)	6,154.40	11,655.43
Profit after Tax	(1,358.82)	5,761.19	(352.37)	5,824.85	10,551.43

Note:

- The results for the period ended June 30, 2009 have been recasted in Column 2 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 June 30, 2010.
- The dividend on Preference Capital will be appropriated at the end of the accounting year, hence no appropriation done as on June 30, 2010.
- 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.
- Investor grievances received and disposed off during the quarter ended June 30, 2010 :
 - Pending complaints at the beginning of the quarter - Nil
 - No. of Complaints received - 17
 - Complaints disposed - 17
 - Complaints unresolved - Nil
- The previous year's / period's figures have been regrouped wherever necessary to conform to the current period's classification.

For and on behalf of the Board

Warszawa
July 27, 2010

Arun Kumar
Vice Chairman & Managing Director