



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

**AUDITED CONSOLIDATED FINANCIAL RESULTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

Rs. in Lakhs						
Sl. No.	Particulars	3 Months ended 31.12.2011	3 Months ended 30.09.2011	3 Months ended 31.12.2010	12 Months ended 31.12.2011	12 Months ended 31.12.2010
		AUDITED as referred in Note 5 below	UNAUDITED	AUDITED as referred in Note 5 below	AUDITED	
1	(a) Net Sales / Income from Operations	68,647.28	76,931.47	45,563.51	252,451.92	169,584.41
	(b) Other Operating Income	1,173.93	1,041.67	975.65	5,241.88	6,521.62
	Total Income	69,821.21	77,973.14	46,539.16	257,693.80	176,106.03
2	Expenditure					
	(a) (Increase) / decrease in stock in trade and work in progress	(2,395.26)	1,269.64	(416.73)	(5,125.44)	(4,528.78)
	(b) Consumption of materials	22,652.20	19,996.65	12,247.68	69,408.40	49,390.22
	(c) Purchase of traded goods	12,961.55	19,670.35	9,894.60	62,093.35	35,691.13
	(d) Employee cost	8,095.66	8,081.93	6,404.44	30,273.51	22,491.93
	(e) Depreciation	2,979.51	2,215.72	1,750.24	10,430.12	6,385.44
	(f) Other Expenditure	17,613.38	12,783.47	9,708.65	49,286.52	33,882.05
	Total Expenditure	61,907.04	64,017.76	39,588.88	216,366.46	143,311.99
3	Profit from Operations before Other Income, Interest & Exceptional Items (1-2)	7,914.17	13,955.38	6,950.28	41,327.34	32,794.04
4	Other Income	0.59	19.75	447.44	21.42	448.27
5	Profit before Interest & Exceptional Items (3+4)	7,914.76	13,975.13	7,397.72	41,348.76	33,242.31
6	Interest	5,068.43	4,910.93	4,507.62	19,026.81	14,664.92
7	Profit after Interest but before Exceptional Items (5-6)	2,846.33	9,064.20	2,890.10	22,321.95	18,577.39
8	Exceptional Items					
	- (Loss) on Sale/ (Write off) of investments (Net)	(196.36)	-	(416.13)	(196.36)	(416.13)
	- Exchange Fluctuation Gain / (Loss) - (Net)	5,983.85	(3,854.58)	(495.65)	3,254.64	632.27
	- (Loss)/gain on account of (increase)/decrease in fair value of options embedded in FCCBs	36.78	93.95	593.07	1,888.55	(156.28)
9	Profit from ordinary activities before tax (7+8)	8,670.60	5,303.57	2,571.39	27,268.78	18,637.25
10	Tax Expense	1,413.77	620.44	1,829.97	3,867.99	4,519.37
11	Net Profit from ordinary activities after tax (9-10)	7,256.83	4,683.13	741.42	23,400.79	14,117.88
12	Extraordinary Item	-	-	-	-	-
13	Net Profit for the year/period (11-12)	7,256.83	4,683.13	741.42	23,400.79	14,117.88
	Share of Minority Interest	415.56	36.32	512.98	953.07	1,873.13
14	Consolidated Profit after Minority Interest	6,841.27	4,646.81	228.44	22,447.72	12,244.75

15	Paid-up Equity Share Capital (Face value of Rs.10/-each)	5,838.02	5,837.42	5,774.47	5,838.02	5,774.47
16	Reserves excluding revaluation reserves					122,295.16
17	Earnings per share (EPS)					
	Basic and diluted EPS after extra-ordinary items for the period (Rs. Per share)					
	(a) Basic EPS	11.79	7.99	0.39	38.65	26.11
	(b) Diluted EPS	11.74	7.96	0.39	38.32	24.56
18	Aggregate of Public shareholding :					
	(a) Number of shares	41,785,913	41,779,913	41,401,298	41,785,913	41,401,298
	(b) Percentage of shareholding	71.58%	71.57%	71.70%	71.58%	71.70%
19	Promoters and Promoter group shareholding :					
	(a) Pledged / Encumbered					
	- Number of shares	11,559,985	10,328,285	8,000,000	11,559,985	8,000,000
	- Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	69.66%	62.24%	48.95%	69.66%	48.95%
	- Percentage of shareholding (as a % of the total shareholding of the company)	19.80%	17.69%	13.85%	19.80%	13.85%
	(b) Non Pledged / Non Encumbered					
	- Number of shares	5,034,273	6,265,973	8,343,373	5,034,273	8,343,373
	- Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	30.34%	37.76%	51.05%	30.34%	51.05%
	- Percentage of shareholding (as a % of the total share capital of the Company)	8.62%	10.74%	14.45%	8.62%	14.45%



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**AUDITED CONSOLIDATED FINANCIAL RESULTS
 FOR THE YEAR ENDED DECEMBER 31, 2011**

STATEMENT OF ASSETS AND LIABILITIES AS AT		Rs. in Lakhs	
Particulars	31-Dec-11 Audited	31-Dec-10 Audited	
SOURCES OF FUNDS			
A. Share Capital	5,838.02	5,774.47	
B. Employees stock options outstanding account	275.90	208.58	
C. Reserves and surplus	131,033.76	122,295.14	
D. Minority Interest	4,645.69	27,247.39	
E. Loan funds	256,641.22	200,983.54	
F. Deferred Tax Liability (Net)	934.92	463.59	
Total	399,369.51	356,972.71	
APPLICATION OF FUNDS			
A. Fixed assets (Net)	155,737.77	104,408.43	
B. Goodwill on Consolidation	198,259.36	147,563.94	
C. Investments	-	175.91	
D. Deferred Tax Asset (Net)	2,203.08	157.72	
E. Current assets			
- Inventories	47,993.13	31,199.72	
- Sundry Debtors	53,844.40	38,378.37	
- Unbilled Debtors	15,969.13	4,117.21	
- Cash and bank balances	25,972.43	33,945.11	
- Loans and advances	45,433.53	88,399.47	
F. Current Liabilities & Provisions			
- Current liabilities	(119,960.54)	(72,485.00)	
- Provisions	(27,092.69)	(19,879.92)	
Net Current Assets (E-F)	42,159.39	103,674.96	
G. Miscellaneous Expenditure (To the extent not written off or Adjusted)	1,009.91	991.75	
Total	399,369.51	356,972.71	

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 audited 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 February 27, 2012.
- 3 The Statutory Auditors have carried out audit of the above consolidated results.
- 4 The previous period's figures have been regrouped/reclassified wherever necessary to conform to current period's classification.
- 5 Figures for the quarter ended December 31, 2011 and December 31,2010 are the balancing figures between (a) the audited figures of the respective financial year end and (b) the published year to date figures up to the third quarter of the respective financial years which have been reclassified as per the classification followed in the respective year ends.
- 6 Consequent to the approval of Scheme of Arrangement during the year ending December 31, 2009 by the Hon'ble High Courts of Judicature ('the Scheme'), the Company has utilised the Reserve for Business Restructure (BRR) as mentioned below. In the year 2009, as per the Scheme, investments in a subsidiary had been fair valued and the resultant surplus over the previously carried book values, amounting to Rs. 58,562 Lakhs had been credited to BRR.

Rs. in Lakhs

Particulars	3 Months ended 31.12.2011 (Refer Note 5 above)	3 Months ended 30.09.2011	3 Months ended 31.12.2010 (Refer Note 5 above)	Year Ended 31.12.2011	Year Ended 31.12.2010
- Employee compensation	32.14	17.61	(128.43)	316.16	387.08
- Depreciation and Amortisation	428.62	428.61	444.31	1,700.49	1,696.24
- Other expenses	1,011.06	1,987.72	1,874.00	3,692.59	1,910.34
- Interest on Purchase consideration	2.38	(0.16)	483.37	78.80	1,623.28
- Interest on Fixed Loans	1,965.27	450.00	-	2,415.27	-
- Impairment/ (Reversal of Impairment) (Net)	(2,100.46)	-	1,508.68	(2,100.46)	1,508.68
Realisation of assets written off earlier	-	-	(2,064.90)	(4.64)	(2,525.06)
Impact if the Company followed the Accounting Standards instead of the accounting treatment provided in the Scheme :-					
On Net Profit for the respective period - Decrease	1,339.01	2,883.78	2,117.03	6,098.21	4,600.56
Earnings / (Loss) per share (Face value of Rs.10/-each) (Rs.) for the respective period					
Basic	9.48	3.03	(3.27)	28.15	16.30
Diluted	9.44	3.02	(3.27)	27.91	15.33



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 FOR THE YEAR ENDED DECEMBER 31, 2011**

- 7 During the year, 410,500, 75,000 & 150,000 equity shares were allotted by the Company on exercising equal number of options under Strides Arcolab ESOP 2008, ESOP 2008 (Directors) & 2006 Schemes respectively. Further, 189,500, 500,000 options were granted to eligible employees of the Company under the ESOP 2008 Scheme and ESOP 2006 Scheme respectively. During the year, the ESOP scheme titled "Strides Arcolab ESOP 2011" (ESOP 2011) was approved by the shareholders on May 30, 2011. 1,500,000 options are covered under the scheme for 1,500,000 shares. No options were granted under this scheme in the current year.
- 8 As part of realignment, following were done during the year,
 a) Starsmore Ltd. has been renamed as Agila Specialties Ltd.
 b) Linkace Ltd. has been renamed as Strides Pharma Ltd.
 c) Strides Specialty Cyprus Ltd. has been renamed as Strides Pharma International Ltd.
 d) Strides Specialties (Holdings) Cyprus Ltd. has been transferred from Strides Specialties (Holdings) Ltd. To Agila Specialties Ltd.
 e) Onco Laboratories Ltd. has been transferred from Agila Specialties Ltd. to Strides Specialties (Holdings) Cyprus Ltd.
 f) Onco Therapies Ltd. has been transferred from Strides Arcolab Limited to Agila Specialties Private Ltd.
 g) Strides Arcolab Polska Sp. Z.o.o. has been transferred from Strides Pharma Ltd. To Agila Specialties Ltd.
 h) Farma Plus AS has been transferred from Plus Farma EHF to Agila Specialties Ltd.
 i) Strides Pharma International Ltd. has been transferred from Strides Specialties (Holdings) Cyprus Ltd. To Strides Arcolab Ltd.
 j) Strides Vital Nigeria Ltd. has been transferred from Strides Africa BVI to Strides Pharma Ltd. and then to Strides Pharma (Cyprus) Ltd.
- 9 During the year, the Group completed a Scheme of Implementation to acquire a majority of the minority shares of Ascent Pharmahealth Limited (APH). Subsequent to current year end, investment in APH has been sold for a consideration of AUD 3,750 Lakhs (INR 200,000 Lakhs).
- 10 The legal formalities of acquisition in respect of two subsidiaries, Ephos - 106 Produtos Hospitalares Ltda Me, Brazil and Agila Especialidades Farmaceuticas Ltda, Brazil has been completed during the first quarter of the year and hence the entities were consolidated w.e.f January 1, 2011.
- 11 Exchange fluctuation gain/loss (net) included under Exceptional Items comprises the unrealized gains/losses arising out of the restatement of FCCB's, Borrowings in foreign currency, intra group loans and certain foreign currency denominated monetary items.
- 12 Information on Standalone Results :-

Rs. in Lakhs

Particulars	3 Months ended 31.12.2011 (Refer Note 5 above)	3 Months ended 30.09.2011	3 Months ended 31.12.2010 (Refer Note 5 above)	Year Ended 31.12.2011	Year Ended 31.12.2010
	(1)	(2)	(3)	(4)	(5)
Turnover	19,545.13	19,602.10	12,793.35	71,635.54	50,466.11
Profit before Tax	16,056.52	(7,019.46)	7,943.26	12,617.15	8,908.17
Profit after Tax	15,576.52	(6,519.46)	6,643.25	11,792.15	7,356.08

- 13 The Company's operations fall within a single business segment viz. "Pharmaceutical 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.
- 14 Investor grievances received and disposed off during the quarter ended Dec 31, 2011 :
 a) Pending complaints at the beginning of the quarter - Nil b) No. of Complaints received - 16
 c) Complaints disposed - 16 d) Complaints unresolved - Nil
- 15 The Board of Directors have recommended an equity dividend of Rs. 2.00 per share for the year ended December 31, 2011.

For and on behalf of the Board

Bangalore
 February 27, 2012

Arun Kumar
 Vice Chairman & Managing Director