

STRIDES ACQUIRES CONTROLLING STAKE IN INBIOPRO

- *Marks entry into Biologics*
 - *Acquisition consolidates Strides' Specialty portfolio*
- *Acquisition to be made by Agila – a wholly owned specialties subsidiary*

Bangalore, India, December 9, 2010: Strides Arcolab Limited (BSE: 532531, NSE: STAR) today announced that it has entered into an agreement to acquire 70% stake in Bangalore-based biotechnology firm, Inbiopro Solutions. The acquisition marks Strides' foray into biologics, strengthening the Company's offering in the Specialty segment.

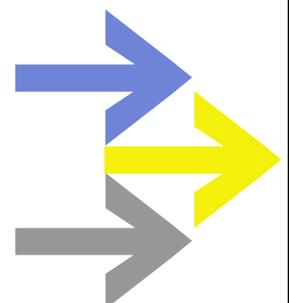
The acquisition gives Strides immediate access to a pipeline of 8 products estimated to have global sales of over US\$ 28 billion. Commercialization of these products is expected to begin in 2013. The acquisition will entail investment of Rs. 65 crores over a period of 3 years to be used for development and commercialization of products.

"Given our intent to be a global sterile powerhouse, this acquisition enhances our Specialty portfolio while giving us a leap start of at least 3 years in the fast growing and complex biopharmaceutical industry," said Arun Kumar, Vice Chairman and Group CEO, Strides Arcolab. "This is a significant extension to our oncology domain, providing opportunities for licensing income in the years to come."

"With three years of extensive R&D behind us, we are now ready to take the next step in aligning ourselves with an industry leader who will see our products through to commercialisation," said Sohng Chatterjee, Chief Executive, Inbiopro Solutions. "We bring to Strides a team that is quality focused, and products borne of intensive research."

Inbiopro is a company run by a team of highly skilled and committed professionals and is recognised in the industry for its specialised work.

A presentation giving more details on the transaction forms part of this press release.



About Strides Arcolab

Strides Arcolab, listed on the Bombay Stock Exchange Limited (532531) and National Stock Exchange of India Limited (STAR), is a global pharmaceutical company headquartered in Bangalore, India that develops and manufactures a wide range of IP-led niche pharmaceutical products with an emphasis on sterile injectables.

The company has 14 manufacturing facilities across 6 countries with presence in more than 75 countries in developed and emerging markets. Manufacturing is ably supported by a 350-scientist strong global R&D Centre located in Bangalore.

Additional information is available at the company's website at www.stridesarco.com.

About Agila Specialties

Agila Specialties Private Limited is the specialties unit of Strides Arcolab which was spun off as a separate division post the Company's restructuring in 2009. It is focused on key domains such as oncolytics, penems, pencillins, cephalosporins, ophthalmics, peptides and biosimilars and operates from 7 world class global manufacturing facilities, including one of the largest steriles capacity in India and amongst the largest lyophilization (freeze drying) capacities in the world. Agila's marketing network covers 70 countries and it has partnerships with some of the world's leading pharmaceutical companies for both developed and emerging markets.

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