


**STRIDES SHASUN LIMITED**

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

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

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS  
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017**

Rs. in Lakhs

Sl. No.	Particulars	3 Months ended December 31, 2017	Preceeding 3 Months ended September 30, 2017	Corresponding 3 Months ended in the previous year December 31, 2016	Year to date figures for the current period ended December 31, 2017	Year to date figures for the previous period ended December 31, 2016	Previous year ended March 31, 2017
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
	<b>Continuing operations</b>						
I	Revenue from operations	74,904	76,950	72,978	217,643	207,881	275,652
II	Other income	1,567	2,221	2,218	7,233	9,880	16,104
III	<b>Total income (I + II)</b>	<b>76,471</b>	<b>79,171</b>	<b>75,196</b>	<b>224,876</b>	<b>217,761</b>	<b>291,756</b>
IV	<b>Expenses</b>						
	(a) Cost of materials consumed	16,273	23,620	22,796	63,050	65,071	81,172
	(b) Purchases of stock-in-trade	11,937	10,450	19,089	32,974	49,766	62,199
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	6,744	4,684	(7,457)	12,916	(15,784)	(15,127)
	(d) Employee benefit expenses	11,777	11,698	11,235	34,224	32,284	43,633
	(e) Finance costs	4,978	4,859	4,408	15,080	13,525	18,312
	(f) Depreciation and amortisation expense	3,907	3,836	3,087	11,301	9,118	12,996
	(g) Other expenses	15,886	16,528	13,160	45,935	39,140	54,124
	<b>Total expenses (IV)</b>	<b>71,502</b>	<b>75,675</b>	<b>66,318</b>	<b>215,480</b>	<b>193,120</b>	<b>257,309</b>
V	<b>Profit before exceptional items and tax (III - IV)</b>	<b>4,969</b>	<b>3,496</b>	<b>8,878</b>	<b>9,396</b>	<b>24,641</b>	<b>34,447</b>
VI	Exceptional items - net loss (Refer note 12)	(632)	(1,225)	(1,148)	(2,193)	(2,880)	(3,643)
VII	<b>Profit before tax (V + VI)</b>	<b>4,337</b>	<b>2,271</b>	<b>7,730</b>	<b>7,203</b>	<b>21,761</b>	<b>30,804</b>
VIII	Share of profit / (loss) of joint ventures and associates	(323)	(530)	(13)	(1,159)	(33)	36
IX	<b>Profit before tax (VII + VIII)</b>	<b>4,014</b>	<b>1,741</b>	<b>7,717</b>	<b>6,044</b>	<b>21,728</b>	<b>30,840</b>
X	<b>Tax expense</b>						
	- Current tax	3,266	202	3,745	3,674	6,052	4,781
	- Deferred tax	(3,282)	124	(1,395)	(3,269)	(1,416)	358
	<b>Total tax expense (X)</b>	<b>(16)</b>	<b>326</b>	<b>2,350</b>	<b>405</b>	<b>4,636</b>	<b>5,139</b>
XI	<b>Profit after tax from continuing operations (IX - X)</b>	<b>4,030</b>	<b>1,415</b>	<b>5,367</b>	<b>5,639</b>	<b>17,092</b>	<b>25,701</b>
XII	<b>Discontinued operations</b>						
	- Profit / (Loss) from discontinued operations	(5,043)	69	(7,624)	(5,017)	(8,808)	(2,982)
	- Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)	12,980	(322)	20,335	12,658	21,743	21,854
	- Tax expense of discontinued operations	3,445	91	(1,539)	3,106	(1,379)	(20)
XIII	<b>Profit/(loss) after tax from discontinued operations</b>	<b>4,492</b>	<b>(344)</b>	<b>14,250</b>	<b>4,535</b>	<b>14,314</b>	<b>18,892</b>
XIV	<b>Profit/(loss) for the period (XI + XIII)</b>	<b>8,522</b>	<b>1,071</b>	<b>19,617</b>	<b>10,174</b>	<b>31,406</b>	<b>44,593</b>



**STRIDES SHASUN LIMITED**

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

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

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS  
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017**

Rs. in Lakhs

Sl. No.	Particulars	3 Months ended December 31, 2017	Preceeding 3 Months ended September 30, 2017	Corresponding 3 Months ended in the previous year December 31, 2016	Year to date figures for the current period ended December 31, 2017	Year to date figures for the previous period ended December 31, 2016	Previous year ended March 31, 2017
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
<b>XV</b>	<b>Other comprehensive income</b>						
<b>A</b>	(i) Items that will not be reclassified to statement of profit and loss	(21)	41	(1,524)	(1,875)	(2,459)	(2,593)
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	45	-	-	45	541	498
<b>B</b>	(i) Items that may be reclassified to statement of profit and loss	(3,766)	(383)	(5,580)	(1,456)	(7,959)	(1,639)
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	(128)	688	262	671	108	(694)
	<b>Total other comprehensive income for the period (XV)</b>	<b>(3,870)</b>	<b>346</b>	<b>(6,842)</b>	<b>(2,615)</b>	<b>(9,769)</b>	<b>(4,428)</b>
<b>XVI</b>	<b>Total comprehensive income for the period (XIV + XV)</b>	<b>4,652</b>	<b>1,417</b>	<b>12,775</b>	<b>7,559</b>	<b>21,637</b>	<b>40,165</b>
	<b>Profit for the period attributable to:</b>						
	- Owners of the Company	8,259	757	18,732	9,075	28,744	39,973
	- Non-controlling interests	263	314	885	1,099	2,662	4,620
		<b>8,522</b>	<b>1,071</b>	<b>19,617</b>	<b>10,174</b>	<b>31,406</b>	<b>44,593</b>
	<b>Other comprehensive income for the period</b>						
	- Owners of the Company	(3,753)	346	(6,842)	(2,498)	(9,769)	(4,420)
	- Non-controlling interests	(117)	-	-	(117)	-	(8)
		<b>(3,870)</b>	<b>346</b>	<b>(6,842)</b>	<b>(2,615)</b>	<b>(9,769)</b>	<b>(4,428)</b>
	<b>Total comprehensive income for the period</b>						
	- Owners of the Company	4,506	1,103	11,890	6,577	18,975	35,553
	- Non-controlling interests	146	314	885	982	2,662	4,612
		<b>4,652</b>	<b>1,417</b>	<b>12,775</b>	<b>7,559</b>	<b>21,637</b>	<b>40,165</b>
	<b>Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)</b>						
	(1) Basic (in Rs.)	4.21	1.23	5.02	5.07	16.15	23.60
	(2) Diluted (in Rs.)	4.21	1.23	5.01	5.07	16.12	23.54
	<b>Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)</b>						
	(1) Basic (in Rs.)	5.02	(0.38)	15.94	5.07	16.02	21.13
	(2) Diluted (in Rs.)	5.01	(0.39)	15.91	5.06	15.99	21.10
	<b>Earnings per equity share (face value of Rs. 10/- each) (for total operations)</b>						
	(1) Basic (in Rs.)	9.23	0.85	20.96	10.14	32.17	44.73
	(2) Diluted (in Rs.)	9.22	0.84	20.92	10.13	32.11	44.64
	<b>See accompanying notes to the Financial Results</b>						



## STRIDES SHASUN LIMITED

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

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

### STATEMENT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017

#### Notes:

- 1 The above consolidated results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on February 09, 2018. The statutory auditors have carried out limited review of the above results for the quarter and nine months ended December 31, 2017 and have issued an unmodified opinion.
- 2 During the nine months ended December 31, 2017, Strides Lifesciences Limited, Nigeria and Arrow Life Sciences (Malaysia) Sdn Bhd, Malaysia, were incorporated as wholly owned subsidiaries of the Group.
- 3 The Company had entered into definitive agreement with Perrigo Group for acquisition of Perrigo API India Private Limited in the previous year. On April 6, 2017, the Company has completed the acquisition of 100% equity interest in Perrigo API India Private Limited. Subsequently, Perrigo API (India) Private Limited has been renamed to Strides Chemicals Private Limited. The Company has accounted for this acquisition as a purchase of business in accordance with Ind AS 103 "Business Combinations" in these consolidated results.
- 4 Strides Pharma Global Pte Limited, Singapore, a subsidiary of the Group, entered into an agreement with Vivimed Labs Limited, India to invest in Vivimed Global Generics Pte Limited, Singapore. Pursuant to the investment by Strides Pharma Global Pte Limited, Singapore on May 18, 2017, Vivimed Global Generics Pte Limited, Singapore became a subsidiary of the Group.

Further, the Company also entered into a joint venture agreement with Vivimed Labs Limited, India pursuant to which the Company made investment in Vivimed Life Sciences Private Limited, India. Accordingly, the Company's investment in Vivimed Life Sciences Private Limited, India ("Vivimed India") on May 18, 2017. Pursuant to this arrangement, the Company holds 50% equity interest in Vivimed India. The Company has accounted for its interest in Vivimed India under equity method (associate) in these consolidated results.

- 5 Arrow Pharmaceuticals Pty Limited, Australia a subsidiary of the Group entered into a definitive agreement effective on August 31, 2017 to acquire Amneal Pharmaceutical Pty Limited, Australia. The Company has completed the acquisition of 100% stake in Amneal Pharmaceutical Pty Limited, Australia. Consequent to the same, Amneal Pharmaceuticals Pty Limited and Amneal Pharma Australia Pty Limited became part of the Group. The Company has accounted for this acquisition as a purchase of business in accordance with Ind AS 103 "Business Combinations" in these consolidated results.
- 6 During the current quarter, Strides Pharma Asia Pte Limited, a wholly owned subsidiary of the Group, has entered into definitive agreements with Trinity Pharma Proprietary Limited, South Africa ('Trinity') for acquisition of controlling stake in Trinity. The transaction has been closed subsequent to December 31, 2017.
- 7 During the current quarter, Strides Shasun Limited entered into a Share Purchase Agreement ('SPA') with Bafna Pharmaceuticals Limited ('Bafna') and Bafna Promoters to acquire the remaining 26% equity interest in Strides Healthcare Private Limited, India thereby making it a wholly owned subsidiary of the group.

#### 8 Discontinued operations:

- (a) During the current quarter, the Group entered into a Business Transfer Agreement ('BTA') and Share Purchase Agreement ('SPA') with Eris Lifesciences Limited ('Eris') for sale of India brands division and for sale of 100% equity interest in Strides Healthcare Private Limited ('SHPL'), collectively referred to as 'India branded generics business', for an aggregate consideration of Rs. 41,000 Lakhs and Rs. 9,000 Lakhs respectively, exclusive of working capital adjustment. The resulting gain on disposal of the above business and the results of the business of India branded generics business are included in the details of discontinued operations for the respective periods as set out in Note 8 (c) below.
- (b) On March 20, 2017, the Board of Directors of the Company approved a Composite Scheme of Arrangement to be entered into between the Company, Sequent Scientific Limited (Sequent), and Solara Active Pharma Sciences Limited, India (Solara) and their respective shareholders' and creditors (the Scheme) under sections 230-232 of the Companies Act, 2013 for demerger of the Company's Commodity API business and Human API Business of Sequent into Solara with effect from the appointed date of October 1, 2017.

During the current quarter, the equity shareholders of the Company, at the National Company Law Tribunal (NCLT) convened meeting of the equity shareholders held on December 27, 2017 approved the Scheme. The Company has filed a petition with NCLT for their approval of the Scheme on January 19, 2018. The petition was admitted by NCLT on February 2, 2018 and has fixed March 9, 2018 as the date of hearing of the petition.

Post shareholders approval, the Group has classified the Commodity API business as discontinued operations. Accordingly, the results of the said business are included in the discontinued operations for the respective period as set out in Note 8(c) below.



**STRIDES SHASUN LIMITED**

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

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

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS  
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017**

(c) Results of discontinued operations							Rs. in Lakhs	
Sl. No.	Particulars	3 Months ended December 31, 2017	Preceding 3 Months ended September 30, 2017	Corresponding 3 Months ended in the previous year December 31, 2016	Year to date figures for the current period ended December 31, 2017	Year to date figures for the previous period ended December 31, 2016	Previous year ended March 31, 2017	
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	
I	Total Revenue	21,006	26,391	25,454	69,346	81,148	108,819	
II	Total Expenses	26,085	26,162	22,571	74,304	79,547	105,381	
<b>III</b>	<b>Profit/(loss) before exceptional items and tax (I - II)</b>	<b>(5,079)</b>	<b>229</b>	<b>2,883</b>	<b>(4,958)</b>	<b>1,601</b>	<b>3,438</b>	
IV	Exceptional items	(36)	160	10,507	59	10,409	6,420	
<b>V</b>	<b>Profit/(loss) before tax (III - IV)</b>	<b>(5,043)</b>	<b>69</b>	<b>(7,624)</b>	<b>(5,017)</b>	<b>(8,808)</b>	<b>(2,982)</b>	
VI	Gain / (loss) on disposals (net)	12,980	(322)	20,335	12,658	21,743	21,854	
VII	Tax expense	3,445	91	(1,539)	3,106	(1,379)	(20)	
<b>VIII</b>	<b>Profit/(loss) from discontinued operations (V + VI - VII)</b>	<b>4,492</b>	<b>(344)</b>	<b>14,250</b>	<b>4,535</b>	<b>14,314</b>	<b>18,892</b>	

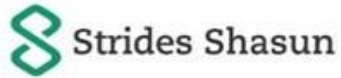
9 During the nine months ended December 31, 2017, 50,000 equity shares under the Strides Arcolab ESOP 2011 Scheme, 20,000 equity shares under the Strides Shasun ESOP 2016 Scheme and 5,654 equity shares under Strides Shasun ESOP 2015 Scheme were allotted by the Company, on exercising equal number of options.

10 In the previous year, the Group had two business segments viz., "Pharmaceutical business" and "Biotech business". With effect from 31 March 2017, pursuant to loss of control over Stelis Biopharma Private Limited, India ('Stelis', the only entity of the Group that was engaged in Biotech business) Stelis ceased to be subsidiary of the Group but became an associate of the Group. The Group's operations for the current period relate only to the "Pharmaceutical business".

11 On December 4, 2013, the Company and its wholly owned subsidiary, Strides Pharma Asia Pte Limited ("the Singapore Subsidiary"), completed the sale of investments in Agila Specialties Private Limited and Agila Specialties Global Pte Limited (together, "Agila") to Mylan Laboratories Limited and Mylan Institutional Inc. (together, "Mylan") pursuant to separate agreements, each dated as of February 27, 2013 (the "SPAs"). Pursuant to the SPAs, the Strides Group established escrow arrangements to fund certain potential indemnification liabilities, including specified employee, tax and regulatory remediation costs from such consideration. These escrow arrangements included a US\$ 100 million 'General Claims Escrow' account and a US\$ 100 million 'Regulatory Escrow' account. Pursuant to the SPAs, the Company has also provided a corporate guarantee to Mylan for US\$ 200 million (valid up to December 4, 2020) on behalf of Singapore Subsidiary which can be used for discharging financial obligations, if any, of the Singapore Subsidiary to Mylan.

Under the terms of the SPAs, claims against the Company / the Singapore subsidiary (as the case may be) can only be made under specific provisions contained in the SPAs which include the procedures and timelines for submission of notifications of claims and actual claims and commencing arbitration proceedings. The Company had received a consolidated notification of claims from Mylan under the terms of the SPAs. These claims were related to third party claims, tax claims, claims against the regulatory escrows and general claims. In the previous years, a significant portion of these claims were settled out of the Regulatory Escrow deposit. Further, the Company and Mylan also agreed on full and final settlement of warranty and indemnity claims to be adjusted against the 'General Claims Escrow'.

Considering the terms of the SPAs, the nature of the pending claims that are in arbitration currently and the balance available in the General Claims Escrow account, the Company believes that any further outflow of resources is not probable.



**STRIDES SHASUN LIMITED**

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.  
 Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS  
 FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2017**

**12 Exceptional Item gain/ (loss) (net):**

							Rs. in Lakhs
Particulars	3 Months ended December 31, 2017	Preceding 3 Months ended September 30, 2017	Corresponding 3 Months ended in the previous year December 31, 2016	Year to date figures for the current period ended December 31, 2017	Year to date figures for the previous period ended December 31, 2016	Previous year ended March 31, 2017	
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	
- Exchange gain/ (loss) on long-term foreign currency loans and intra-group loans	553	365	(443)	1,288	(933)	1,259	
- Impairment of Goodwill	-	-	-	-	-	(794)	
- Write down of inventories and other assets	-	(108)	(0)	(108)	(269)	(269)	
- Business combination and restructuring expenses	(900)	(575)	(648)	(1,746)	(1,632)	(2,199)	
- Recovery / (write off) of loans & advances given in earlier years (net)	-	-	-	-	487	(29)	
- Unwinding of discount on gross obligations over written put options	(527)	(207)	(286)	(734)	(762)	(1,188)	
- Fair valuation of derivative instruments	242	(700)	-	(893)	-	(632)	
- Others	-	-	229	-	229	209	
<b>Total</b>	<b>(632)</b>	<b>(1,225)</b>	<b>(1,148)</b>	<b>(2,193)</b>	<b>(2,880)</b>	<b>(3,643)</b>	

**13 Information on Standalone Results : -**

							Rs. in Lakhs
Particulars	3 Months ended December 31, 2017	Preceding 3 Months ended September 30, 2017	Corresponding 3 Months ended in the previous year December 31, 2016	Year to date figures for the current period ended December 31, 2017	Year to date figures for the previous period ended December 31, 2016	Previous year ended March 31, 2017	
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	
Total Revenue from continuing operations	35,619	40,067	40,836	116,574	119,290	155,192	
Profit before Tax from continuing operations	2,030	38	2,602	4,146	9,252	14,793	
Profit after Tax from continuing operations	3,778	1,090	591	6,572	6,604	12,923	
Profit/(loss) before tax from discontinued operations	10,170	260	(4,609)	9,188	(4,947)	(2,404)	
Profit/(loss) after tax from discontinued operations	6,645	169	(3,042)	6,002	(3,265)	(2,070)	

14 Previous period figures have been regrouped to conform with the classification adopted in these financial results.

**For and on behalf of the Board**

**Shashank Sinha  
 Managing Director**

**Bengaluru, February 09, 2018**