

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s Strides Biologix Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of M/s Strides Biologix Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

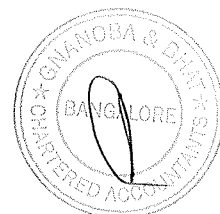
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting



policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

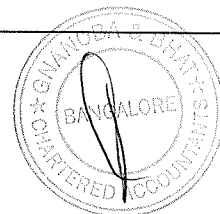
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Audit Opinion on the financial statements.

Opinion

In our opinion and the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, the Loss for the year ended on that date and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure-A** a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of these books;
 - c. The Balance Sheet, the Statement of Profit & Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules, 2014;
 - e. On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, we give a separate report in the **Annexure-B**; and



- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long term contracts including derivative contracts which require any provision to be made for material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Bangalore
Date : May 11, 2016



For GNANOBA & BHAT,
Chartered Accountants,
Firm Regn No. 000939S

R. UMESH
Partner
M. No. 27892

ANNEXURE-A TO AUDITOR'S REPORT REFERRED TO IN PARAGRAPH 1 OF OUR
REPORT OF EVEN DATE

- (i) In respect of its fixed assets :
- a) The Company has maintained proper records showing full particulars including quantitative details and situation of the fixed Assets;
 - b) The Company did not have tangible fixed assets during the year and hence the requirements regarding physical verification of fixed assets are not applicable;
 - c) The company did not own any immovable properties during the year.
- (ii) The Company did not carry any inventories during the year and hence clause (ii) of the Order is not applicable for the company.
- (iii) The Company has not granted loans to any parties listed in the register maintained under section 189 of the Companies Act, 2013 and hence clause (iii) of the Order clause is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not entered into any transactions which come under the purview of Section 185 and 186 of the Companies Act, 2013 and hence clause (iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in terms of Chapter-V the Companies Act, 2013 read with The Companies (Acceptance of Deposits) Rules, 2014 and hence reporting under this clause is not applicable.
- (vi) According to the information given to us, the Central Government has not specified the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.
- (vii) According to the information and explanations given to us and according to the books and records as produced and examined by us, in respect of statutory dues and other dues:
- a) The Company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Sales Tax, Excise Duty, Custom Duty, Service Tax, Value Added Tax, Cess and other statutory dues with the appropriate authorities during the period wherever applicable. There were no undisputed amounts in respect of the above statutory dues, which were in arrears as at 31st March 2016, for a period more than six months from the date they became due.
 - b) There were no statutory dues which were not deposited on account of any dispute.
- (viii) To the best of our knowledge and belief, according to the information and explanations given to us, the company has not borrowed any funds from any financial institution or bank or Government or issued any debentures and hence reporting under this clause is not applicable.



- (ix) The Company has not raised moneys by way of initial public offer, further public offer or any term loans during the year and hence reporting under this clause is not applicable.
- (x) To the best of our knowledge and belief, according to the information and explanations given to us by the Management and the records produced before us, no frauds were noticed or reported during the year.
- (xi) No managerial remuneration was paid by the Company during the year and hence reporting under this clause is not applicable.
- (xii) The Company is not a Nidhi Company and hence this clause is not applicable.
- (xiii) In our opinion and according to the information and explanation given to us and based on our verification of the records and relevant documents, all transactions with related parties entered into by the Company are in compliance with section 188 of the Companies Act where applicable and the details of the same have been disclosed in the financial statements etc as required by the applicable accounting standards.
- (xiv) During the year, the Company made a private placement of shares. Based on the information and explanations furnished and the records produced before us, in our opinion, the requirements of section 42 of the Companies Act, 2013, have been complied with. To the best of knowledge and belief, the amount has been used for the purpose for which it was raised.
- (xv) According to the information and explanation given to us by the Management and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence this clause is not applicable.
- (xvi) In our opinion and according to the information and explanation given to us the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place: Bangalore
Date : May 11, 2016



For GNANOBA & BHAT,
Chartered Accountants,
Firm Regn No. 000939S

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R. UMESH
Partner
M. No. 27892

ANNEXURE-B TO AUDITOR'S REPORT REFERRED TO IN PARAGRAPH F OF OUR REPORT OF EVEN DATE

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over the financial reporting of M/s Strides Biologix Private Limited as on 31st March 2016 in conjunction with our audit of the financial statements of the Company for the year ended as on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

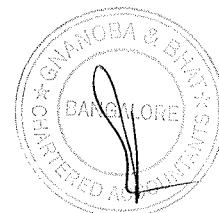
These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, that receipt and expenditures of the company are being made only in accordance with authorisations of management and directors of the company.
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Bangalore
Date : May 11, 2016



For GNANOBA & BHAT,
Chartered Accountants,
Firm Regn No. 000939S

A handwritten signature in black ink, appearing to read "R. UMESH".

R. UMESH
Partner
M. No. 27892

STRIDES BIOLOGIX PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2016

		Amount in Rs.	
		Note No.	31-Mar-16
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share capital	3	10,244,900
	(b) Reserves and surplus	4	85,246,104
			<u>95,491,004</u>
2	Non-current liabilities		
	(a) Other long-term liabilities	5	35,000
	(b) Long-term provisions	6	1,650,000
			<u>1,685,000</u>
3	Current liabilities		
	(a) Trade payables	7	1,668,593
	(b) Other current liabilities	8	6,638,888
	(c) Short-term provisions	9	25,000
			<u>8,332,481</u>
	Total		<u><u>105,508,485</u></u>
B	ASSETS		
1	Non-current assets		
	(a) Fixed assets		
	- Intangible assets	10	98,805,735
			<u>98,805,735</u>
	(b) Long-term loans and advances	11	5,523,878
			<u>104,329,613</u>
2	Current assets		
	(a) Trade receivables	12	335,993
	(b) Cash and cash equivalents	13	360,606
	(c) Short-term loans and advances	14	482,273
			<u>1,178,872</u>
	Total		<u><u>105,508,485</u></u>

See accompanying notes forming part of the Financial Statements
In terms of our report attached

For **Gnanoba & Bhat**
Chartered Accountants
Firm Registration no. 000939S



R Umesh
Partner
Mem. No: 27892
Place : Bangalore
Date : May 11, 2016



For and on behalf of Board of Directors



Sinhue Bosco Noronha
Director
DIN: 01075198



C. Ravi Shankar
Director
DIN: 06944927

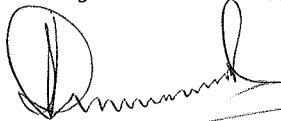
STRIDES BIOLOGIX PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2016

<u>Particulars</u>	Note No.	Amount in Rs. For the period ended 31-Mar-16
1 Revenue from operations	15	8,87,290
2 Total revenue		<u>8,87,290</u>
3 Expenses		
(a) Employee benefits expenses	16	19,52,265
(b) Other expenses	17	23,49,756
4 Total		<u>43,02,021</u>
5 Earning before exceptional items, interest, tax, depreciation and amortisation (EBITDA) (2-4)		<u>(34,14,731)</u>
6 Depreciation and amortisation expense	10	35,94,265
7 Profit before exceptional items and taxes (5-6)		<u>(70,08,996)</u>
8 Tax expenses		-
9 Profit for the year (7-8)		<u>(70,08,996)</u>
10 Earnings per share		
- Basic		(9.16)
- Diluted		(9.16)

See accompanying notes forming part of the Financial Statements

In terms of our report attached

For **Gnanoba & Bhat**
Chartered Accountants
Firm Registration no. 000939S




R-Umesh
Partner
Mem. No. 27892
Place : Bangalore
Date : May 11, 2016



For and on behalf of Board of Directors



Sinhue Bosco Noronha
Director
DIN: 01075198



C. Ravi Shankar
Director
DIN: 06944927

STRIDES BIOLOGIX PRIVATE LIMITED
Cash Flow Statement for the period ended 31st March 2016

Amount in Rs


Particulars	For the period ended 31 March, 2016	
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax		(70,08,996)
<i>Adjustments for:</i>		
Depreciation and amortisation	35,94,265	35,94,265
Operating profit / (loss) before working capital changes		(34,14,731)
<i>Changes in working capital:</i>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables	(3,35,993)	
Short-term loan and advances	(4,82,273)	
Other non-current assets	(55,23,878)	
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	16,68,593	
Other current Liabilities	3,09,599	
Other non-current Liabilities	17,10,000	
		(26,53,952)
Cash flow from extraordinary items		(60,68,683)
Cash generated from operations		-
Net income tax (paid) / refunds		(60,68,683)
		-
Net cash flow from / (used in) operating activities (A)		(60,68,683)
B. Cash flow from investing activities		
Capital expenditure on fixed assets including capital advance	522,00,000	
		(522,00,000)
Net cash flow from / (used in) investing activities (B)		(522,00,000)
C. Cash flow from financing activities		
Borrowings / (Repayment) from / to Parent Company	63,29,289	
Proceeds from Issue of Share Capital	523,00,000	
		586,29,289
Net cash flow from / (used in) financing activities (C)		586,29,289
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		3,60,606
Cash and cash equivalents at the beginning of the year		-
Cash and cash equivalents at the end of the year		3,60,606
Reconciliation of Cash and cash equivalents with the Balance Sheet:		
Cash and cash equivalents as per Balance Sheet (Refer Note 13)		3,60,606
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 <i>Cash Flow Statements</i>		-
Cash and cash equivalents at the end of the year *		3,60,606
* Comprises:		
(a) Cash on hand		-
(b) Balances with banks - in current accounts		3,60,606
(c) Balances with banks - in Fixed Deposits		-
		3,60,606

As per our report of even date

for Gnanoba & Bhat

Chartered Accountants

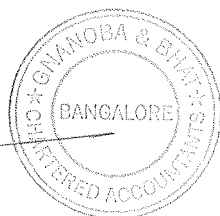
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R Umesh

Partner

Mem. No. 27892



For and on behalf of the Board of Directors

Sinhue Bosco Noronha

Director

DIN: 01075198

Ravi Shankar

Director

DIN: 06944927

Place : Bangalore

Date : May 11, 2016

STRIDES BIOLOGIX PRIVATE LIMITED

DISCLOSURES AS PER ACCOUNTING STANDARDS

NOTE – 1

COMPANY INFORMATION

Strides Biologix Private Limited is a pharmaceutical company which is headquartered in Bangalore, India. The Company manufactures & trades in pharmaceutical formulations for human consumption in India. The Company is yet to commence its manufacturing & trading activity.

NOTE – 2

SIGNIFICANT ACCOUNTING POLICIES

A. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The accounts have been prepared under the historical cost convention and on the basis of the going concern, with revenues recognized and expenses accounted on their accrual, including provisions / adjustments for committed obligations and amounts determined as payable or receivable during the year.

The preparation of financial statements in conformity with Generally Accepted Accounting Practices requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements, and the reported amounts of revenue and expenses during the reported year. Actual results could differ from those estimates.

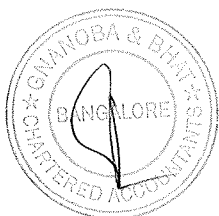
The Financial statements are in conformity with accordance with the Generally Accepted Accounting Principles (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 / the Companies Act, 1956, as applicable.

B. CASH FLOW STATEMENTS

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities are segregated based on the available information.

C. INTANGIBLE ASSETS

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price including duties and taxes (other than those refundable subsequently from the authorities), and directly attributable expenditure incurred for making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefit in excess of its originally



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assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case, such expenditure is added to the cost of the asset.

D. DEPRECIATION

Intangible assets comprising are depreciated / amortised over their useful lives as assessed by the Management under the Straight Line Method basis as prescribed under Schedule II of the Companies Act, 2013. Accordingly, the life of the assets is determined as under.

Sl. No.	Asset	Life as Assets (in years)
1	Registration & Brands	10 years
2	Non Compete Fee	3 years

E. REVENUE RECOGNITION

Revenue from royalty under manufacturing and licensing agreements with customers is recognized and accrued based on the terms of the agreements.

F. TAXATION

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

Minimum alternate tax paid in accordance with the tax laws, which gives future economic benefits in the nature of adjustments to the future income tax liability is considered an asset if there is convincing evidence that the Company will pay normal tax in future.

Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing differences that result between the profit offered for income tax and the profit as per financial statements. Deferred tax assets and liabilities are measured as per the tax rates / laws that have been enacted or substantively enacted by the Balance Sheet Date.

G. PROVISIONS

A provision is recognized when the enterprise has a present obligation as a result of past event(s) which may result in a probable outflow of resources to settle the obligation and in respect of which a reasonable estimate can be made. Provisions are not discounted to their present value and are determined on the basis of the best estimate of the resources required to settle the obligation at the balance sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

H. IMPAIRMENT OF ASSETS

An asset is treated as impaired if the current carrying cost of the same exceeds its recoverable value. An impairment loss is charged to the Profit & Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in the prior accounting periods is reversed if there is any



change in the estimate of recoverable amount. The recoverable amount is the greater of the net selling price or the value in use.

I. CONTINGENCIES

Contingent liabilities are shown by way of note to the financial statement.

J. EARNINGS PER SHARE

Earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to dilutive potential equity shares, by the weighted average number of equity shares considered for deriving the basic earnings per share and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share and are deemed to be converted at the beginning of the period, unless they have been issued at a later date.

K. EMPLOYEE BENEFITS

- i. The Company is not registered under the Provident Fund Act as the number of employees is below the threshold limit prescribed under the said statute.
- ii. Gratuity liability is a defined benefit obligation and is provided based on the amount determined as actually due and at the end of the fiscal year. The liability is not funded.
- iii. Provision for Leave Encashment has been made based on the amount determined as actually due and at the end of the fiscal year. The liability is not funded.

For and on behalf of the Board

Place : Bangalore

Date: May 11, 2016



Sinhue Boşco Noronha

Director

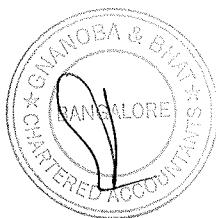
DIN: 01075198



C. Ravi Shankar

Director

DIN: 06944927



STRIDES BIOLOGIX PRIVATE LIMITED
Notes forming part of the financial statements

Note

No.

3 Share capital

Particulars	Amount in Rs.
	31-Mar-16
Authorised 1,030,000 Equity shares of Rs. 10/- each with voting rights	103,00,000
Total	103,00,000
Issued, subscribed and fully paid-up 1,024,490 Equity shares of Rs.10/- each with voting rights	102,44,900
Total	102,44,900

3(a) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting

Particulars	31-Mar-16	
	No. of	Amount in Rs.
Equity share of Rs. 10/- each		
Opening balance	-	
Issued/ called-up equity share capital during the period	10,24,490	102,44,900
Closing balance	10,24,490	102,44,900

3(b) Detail of the rights, preferences and restrictions attaching to each class of shares outstanding Equity shares of Rs. 10/- each:

The Company has only one class of equity shares, having a par value of Rs.10/-. The holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval by the shareholders at the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution to all other parties concerned. The distribution will be in proportion to number of equity shares held by the shareholders.

3(c) Shares held by Holding Company:

Particulars	31-Mar-16	
	No. of Shares	%
Strides Shasun Limited	5,22,490	51%
Medispan Limited	5,02,000	49%

3(d) Details of equity shares held by each shareholder holding more than 5% of shares:

Particulars	31-Mar-16	
	No. of Shares	%
Strides Shasun Limited	5,22,490	51%
Medispan Limited	5,02,000	49%

3(e) Shares allotted as fully paid up for consideration other than cash:

Of the above, 5,02,000 equity shares were issued as fully paid up to Medispan Limited pursuant to the Business Transfer Agreement between the companies for acquisition of specified business including intangible assets.



STRIDES BIOLOGIX PRIVATE LIMITED
Notes forming part of the financial statements

Note
No.

4 Reserves and surplus	Amount in Rs.	
Particulars	31-Mar-16	
Securities premium account		
Opening balance		-
Add: Premium on shares issued during the period		922,55,100
Closing balance		922,55,100
Surplus in Statement of Profit and Loss		
Opening balance		-
Less: Loss for the year		(70,08,996)
Closing balance		(70,08,996)
Total		852,46,104

5 Other long-term liabilities	Amount in Rs.	
Particulars	31-Mar-16	
Others:		
- Compensated absence		35,000
Total		35,000

6 Long-term provisions	Amount in Rs.	
Particulars	31-Mar-16	
Provision for employee benefits:		
- Towards gratuity		16,50,000
Total		16,50,000

7 Trade payables	Amount in Rs.	
Particulars	31-Mar-16	
Trade payables:		
- Acceptance		-
- Other than acceptances		16,68,593
Total		16,68,593

8 Other current liabilities	Amount in Rs.	
Particulars	31-Mar-16	
Dues to Related Parties - Strides Shasun Limited (Holding Company)		63,29,289
Other payables:		
- Statutory remittances		3,09,599
Total		66,38,888



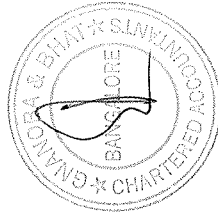
STRIDES BIOLOGIX PRIVATE LIMITED

Note : 10

(Amount in Rs.)

Schedule for Fixed Assets as on 31.03.2016

SI No	Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		Additions During the year	Deletions During the Year	As on 31.03.2016	For the Year	Deletions During the Year	Up to 31.03.2016	As on 31.03.2016	
	INTANGIBLE ASSETS								
1	TRADEMARK, REGISTRATION & BRANDS	102,400,000	-	102,400,000	3,594,265	-	3,594,265	98,805,735	
	Total Intangible asset	102,400,000	-	102,400,000	3,594,265	-	3,594,265	98,805,735	
	Previous Year	-	-	-	-	-	-	-	-



STRIDES BIOLOGIX PRIVATE LIMITED
Notes forming part of the financial statements

Note
No.

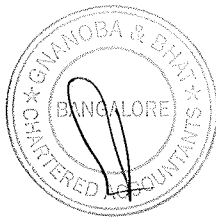
9 Short-term provisions		Amount in Rs.
Particulars		31-Mar-16
Provision for employee benefits:		
- Compensated absences		25,000
Total		25,000

11 Long-term loans and advances		Amount in Rs.
Particulars		31-Mar-16
Unsecured, considered good:		
- Due from Related Parties - Medispan Limited Capital advances		5,523,878
Total		5,523,878

12 Trade receivables		Amount in Rs.
Particulars		31-Mar-16
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they were due for payment		-
Others		
- Due from Strides Shasun Limited (Holding Company)		
- Unsecured considered good		335,993
- Doubtful		-
		335,993
Less: Provision for doubtful trade receivables		-
		335,993
Total		335,993

13 Cash and cash equivalents		Amount in Rs.
Particulars		31-Mar-16
Balance with banks:		
- In current account		360,606
Total		360,606
Of the above, the balances that meet the definition of cash and cash equivalents as per AS 3 'Cash Flow Statements' is -		360,606

14 Short-term loans and advances		Amount in Rs.
Particulars		31-Mar-16
Unsecured, considered good		
Trade Advances		182,154
Advance Tax (net of provision)		90,036
Balances with government authorities:		
- Service tax credit receivable		210,083
Total		482,273



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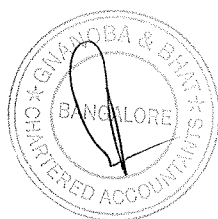
STRIDES BIOLOGIX PRIVATE LIMITED
Notes forming part of the financial statements

Note
No.

15 Revenue from operations		Amount in Rs.
Particulars		31-Mar-16
Royalty Income		1,015,948
Less: Service Tax		128,658
Total		887,290

16 Employee benefits expenses		Amount in Rs.
Particulars		31-Mar-16
Salaries and wages		1,532,241
Incentives		360,000
Leave encashment		60,000
Staff welfare		24
Total		1,952,265

17 Other expenses		Amount in Rs.
Particulars		31-Mar-16
Rent		55,484
Audit fees - For Statutory Audit (excluding service tax)		50,000
Rates and taxes		141,987
Travelling and conveyance		391,460
Support service charges		564,516
Business promotion		8,009
Legal and professional fees		1,138,300
Total		2,349,756



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Strides Biologix Private Limited
Notes on Financial Statements for the year ended 31st March 2016

Note -18
Employee Benefits

a. Gratuity and Leave Encashment

During the year, a sum of Rs. Nil and Rs. 60,000/- have been recognised towards gratuity and leave encashment respectively in the profit and loss account for the year.

Note - 19
Related Party Disclosures

Party where the Control Exists	Name of Related Party
Holding Company	Strides Shasun Limited
Enterprise Exercising Control	Medispan Limited

Sl No	Nature of Transaction	Year	Holding Company	Enterprise Exercising Control
1	Investment in Equity	2016	5,224,900	5,020,000
2	Loans & Advances - Taken / Repaid (net)	2016	2,270,000	-
3	Support Service Charges Paid / Payable	2016	564,516	-
4	Royalty Income Received / Receivable	2016	887,290	-
5	Purchases / (Sale) of Business (net)	2016	(307,363)	-
6	Reimbursement for Expenses incurred by	2016	405,411	-

7	Balances Outstanding:			
	a) Receivable	2016	335,993	5,523,878
	b) Payable	2016	6,329,289	-

Note - 20

Leases

The Company had taken premises on lease basis as detailed below: **Amt in Rs.**

Details of Leasing Arrangements	31-Mar-16
Minimum lease payments debited to Rent account	55,484
Future Minimum lease Payments;	
- Not later than one year	120,000
- Later than one year and not later than 5 years	-
- Later than five years	-

Note - 21

Deferred Tax

Particulars	31-Mar-16
Items constituting Deferred Tax Assets	
- Unabsorbed Losses / Depreciation	(5,000,581)
- Expenses u/s 35D	(35,078)
- Provision for Leave Encashment	(18,540)
	(5,054,199)
Items constituting Deferred Tax Liabilities	
- On difference between book and tax balance of fixed assets	2,844,572
	2,844,572
Net Deferred Tax Asset	(2,209,627)

The above deferred tax asset of Rs. 2.21 Mn has not been recognised in these accounts on grounds of prudence.



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Note - 22**Earnings/(Loss) per share**

Particulars	31-Mar-16
Net Profit / (Loss) after Tax	(7,008,996)
Weighted average number of equity shares (No.s)	765,030
Earnings/(Loss) per share	(9.16)
Nominal Value of Equity Shares	10.00

Note - 23

During the year, the Company acquired the business of the Pharmaceutical Brands division from Medispan Limited (comprising the brands, trademarks, manufacturing, marketing and distribution network and infrastructure) as a going concern under a business transfer agreement with effect from 21st October 2015 for a consideration of Rs. 162.40 Mn of which a sum of 102.40 Mn was discharged partly by issue of equity shares and partly by cash. The payment of the balance sum of Rs. 60 Mn is contingent upon the achievement of certain milestones by 31st January 2017 and the same has not been provided in these accounts. Post acquisition, the sales and distribution business of the above Brands division comprising the employees, marketing infrastructure and current assets / liabilities was transferred to Strides Shasun Limited as a going concern for a consideration of Rs. 0.31 Mn (payable), thereby retaining only the brands in the Company. The Management is of the view that post transfer, there is no impairment in the value of the remaining assets held by the Company. Subsequently, the brands were out-licensed to Strides Shasun Limited under an exclusive licensing and royalty agreement effective December 2015, consequent to which the Company receives royalty as per the terms of the agreement.

Note -24

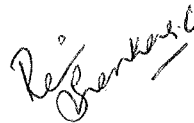
Based on the information with the Company, there are no suppliers who are registered as micro, small or medium enterprises under The Micro, Small and Medium Enterprises Act, 2006 as at 31st March 2016.

Note -25

Previous year figures have not been given, this being the first year of the Company.

By Order of the Board of Directors

for Strides Biologix Private Limited

Sinhue Bosco NoronhaDirector
DIN: 01075198**Ravi Shankar**
Director
DIN: 06944927

Place : Bangalore

Date : May 11, 2016

