



Amarnath Kamath & Associates Chartered Accountants

Auditors' Report

The Board of Directors
Strides Shasun Limited
Bangalore

We have audited the attached Balance sheet of **Strides Arcolab (Australia) Pty Ltd** a subsidiary of **Strides Shasun Limited (SSL)**, as at March 31, 2016 and the related Statement of Profit and Loss for the year ended on that date, annexed thereto, together referred to as 'Financial Statements'.

These Financials Statements have been prepared by the management of SSL based on the Management reporting package of the Company prepared under Australian Generally Accepted Accounting Principles.

Based on our audit and according to the additional information and explanations furnished to us, we report that:

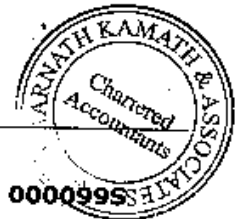
- > We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the Financial Statements.
- > These financial statements set out the information required in Schedule III of the Companies Act, 2013 for the purpose of consolidation of Group accounts.
- > In our opinion, necessary adjustments have been made by the management of SAL to ensure that the Financial Statements:
 - comply with the Accounting Standards referred to in section 133 of the Indian Companies Act, 2013 and
 - are fit for consolidation into Strides Shasun Limited.

For Amarnath Kamath & Associates
Chartered Accountants

Date **May 12, 2016**
Place **Bangalore**


V. Narayanan, FCA - 219265

Partner, Firm Registration No. 000099S



'CAREWEL HOUSE', Muniswamappa Layout, 6th Cross, Opp. TOTAL Mall, Off HAL Airport Road,
Bangalore 560 017. Phone: 91 80 25264700

Chennai Branch: "Sri Ramanuja Bhavanam", Plot No. 28, VGP Selva Nagar II Main Road, Vellacherry,
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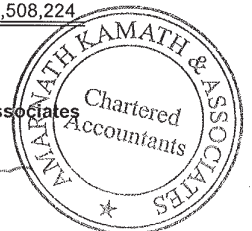
Strides Arcolab (Australia) Pty Ltd
BALANCE SHEET AS AT Mar 31, 2016

	<u>Schedule</u>	<u>Mar-16</u> <u>AUD</u>	<u>Mar-16</u> <u>INR</u>
A . EQUITY AND LIABILITIES			
1. Shareholders' funds			
a) Share capital	1	44,443,300	2,254,964,155
b) Reserves and Surplus	2	-143	-7,265
		<u>44,443,157</u>	<u>2,254,956,891</u>
2. Share application money pending allotment		53,349,908	2,706,867,632
3. Minority Interest		-	-
4. Non Current Liabilities			
a) Long Term borrowing	3	1,000,000	50,738,000
b) Deferred Tax liabilities (Net)		-	-
c) Other Long Term Liabilities	4	-	-
d) Long Term Provisions	5	-	-
		<u>1,000,000</u>	<u>50,738,000</u>
5. Current Liabilities			
a) Short Term borrowing	6	-	-
b) Trade Payables	7	-	-
c) Other Current Liabilities	8	38,348	1,945,701
d) Short Term Provisions	9	-	-
		<u>38,348</u>	<u>1,945,701</u>
Total of Liabilities		<u>98,831,413</u>	<u>5,014,508,224</u>
B . ASSETS			
1 . NON CURRENT ASSETS			
a. Fixed Assets			
i) Tangible Assets	10	-	-
ii) Intangible Assets		-	-
iii) Capital Work in Progress		-	-
iv) Intangible Assets Under Development		-	-
v) Fixed Assets held for Sale		-	-
		<u>-</u>	<u>-</u>
b. Non Current Investments	11	97,193,208	4,931,388,988
c. Deferred Tax Assets (Net)	12	-	-
d. Long Term Loans and Advances	13	-	-
e. Other Non Current Assets	14	-	-
		<u>97,193,208</u>	<u>4,931,388,988</u>
2 . CURRENT ASSETS			
a Current investments	15	-	-
b Inventories	16	-	-
c Trade receivables	17	-	-
d Cash and cash equivalents	18	39,183	1,988,044
e Short-term loans and advances	19	1,599,022	81,131,192
f Other current assets	20	-	-
		<u>1,638,205</u>	<u>83,119,236</u>
Total of Assets		<u>98,831,413</u>	<u>5,014,508,224</u>

Date May 12, 2016
Place Bangalore

As per Report of Even Date
For Amarnath Kamath & Associates
Chartered Accountants

V. Narayanan
V. Narayanan, FCA -219265
Partner, FRN-000099S



Strides Arcolab (Australia) Pty Ltd
PROFIT & LOSS ACCOUNT

<u>Particulars</u>	<u>Schedule</u>	<u>For the period ended</u>	
		<u>Mar-16</u> <u>AUD</u>	<u>Mar-16</u> <u>INR</u>
A . CONTINUING OPERATIONS			
1. Revenue from Operations (Gross)	21	-	-
Less: Excise Duty	21	-	-
Revenue from Operations Net		-	-
2. Expenses			
a. Cost of Materials consumed	22.1	-	-
b. Purchases of Stock in Trade	22.2	-	-
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	22.3	-	-
d. Employee benefits expense	23	-	-
f. Other expenses	24	-	-
Total Expenses		-	-
3. Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA) (1 - 2)			
		-	-
4. Finance Cost	25	705	33,989
5. Depreciation and amortisation expense	10	-	-
6. Other Income	26	562	27,087
7. Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4- 5 + 6)		-143	-6,902
8. Exceptional Items		-	-
8. Profit / (Loss) before tax (7 – 8)		-143	-6,902
9. Tax Expense			
a Current tax expense for current year		-	-
b (Less): MAT credit (where applicable)		-	-
c Current tax expense relating to prior years		-	-
d Net current tax expense		-	-
e Deferred tax		-	-
10. Profit / (Loss) from continuing operations (11 + 12)		-143	-6,902

Date May 12, 2016
Place Bangalore

As per Report of Even Date
For Amarnath Kamath &
Associates
Chartered Accountants

V. Narayanan, FCA -219265
Partner, FRN-000099S



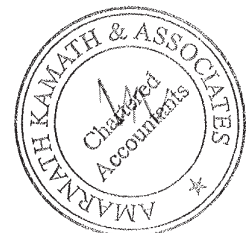
Strides Arcolab (Australia) Pty Ltd

Schedules forming part of the Consolidated Balance Sheet

	<u>Mar-16</u> <u>AUD</u>	<u>Mar-16</u> <u>INR</u>
SCHEDULE 1		
SHARE CAPITAL		
1. Authorised		
a) Equity		-
b) Preference		-
2. Issued, subscribed and paid-up		
a) Equity	44,443,300	2,254,964,155
a) Preference	-	-
Total	44,443,300	2,254,964,155

SCHEDULE 2
RESERVES AND SURPLUS

1. General Reserve		
Opening Balance	-	-
Add: Exchange Gain/(Loss) on Opening Balance	-	-
Add: Transfer from Profit and loss account	-	-
Closing Balance	-	-
2. Capital Reserve		
Opening Balance	-	-
Add: Transfer from Profit and loss account	-	-
Closing Balance	-	-
3. Securities Premium Account		
Opening Balance	-	-
Add: Premium on Shares issued during the year	-	-
Add: Exchange Gain/(Loss) on Opening Balance	-	-
Less: Utilisation during the Year	-	-
Closing Balance	-	-
4. Profit & Loss Account		
Opening Balance	-	-
Add:		
Exchange Gain/(Loss) on Pre Acquisition Reserve	-	-
Profit/(Loss) for the Year	-143	-6,902
Less:		
Proposed Dividend Equity Share Holders	-	-
Proposed Dividend Preference Share Holders	-	-
Tax on dividend	-	-
Transferred to:		
General Reserve	-	-
Capital Redemption reserve	-	-
Debenture Redemption reserve	-	-
Other reserves (Details)	-	-
Exchange Rate Difference on Appropriation	-	-
Closing Balance	-143	-6,902
5. Other Reserves (Please Specify and Link it from TB)	-	-
6. Exchange reserve (on consolidation)	-	-363
Total	-143	-7,265



NON CURRENT LIABILITIES

Long Term Borrowings 3

Secured

a) Term Loans from Banks	-	-
b) Term Loans From Financial institutions	-	-
c) Loans and advances from related parties	-	-
d) Deposits	-	-
e) Long-term maturities of finance lease obligations	-	-
f) Other loans and advances	-	-
	<hr/>	<hr/>

Unsecured

a) Term Loans from Banks	-	-
b) Term Loans From other parties	-	-
c) Loans and advances from related parties	-	-
d) Deposits	-	-
e) Long-term maturities of finance lease obligations	-	-
f) Other loans and advances	-	-
	1,000,000	50,738,000
	<hr/>	<hr/>

Total 1,000,000 50,738,000

Other Long Term Liabilities 4

a) Trade Payables:	-	-
b) Others:	-	-
(i) Payables on purchase of fixed assets	-	-
(ii) Contractually reimbursable expenses	-	-
(iii) Interest accrued but not due on borrowings	-	-
(iv) Interest accrued on trade payables	-	-
(v) Interest accrued on others	-	-
(vi) Trade / security deposits received	-	-
(vii) Advances from customers	-	-
(viii) Income received in advance (Unearned revenue)	-	-
(ix) Others (specify nature)	-	-
	<hr/>	<hr/>

Total - -

Long Term Provisions 5

a) Provision for employee benefits:	-	-
(i) Provision for compensated absences	-	-
(ii) Provision for gratuity	-	-
(iii) Provision for Deferred Employee Compensation	-	-
(iv) Provision for other defined benefit plans	-	-
(v) Provision for other employee benefits	-	-
(b) Provision - Others:	-	-
(i) Provision for expenses long term	-	-
(ii) Other Long Term provisions	-	-
(iii) Provision for warranty	-	-
(iv) Provision for estimated losses on onerous contracts	-	-
(v) Provision for other contingencies	-	-
(vi) Provision - others (give details)	-	-
	<hr/>	<hr/>

Total - -

Short Term Borrowings 6

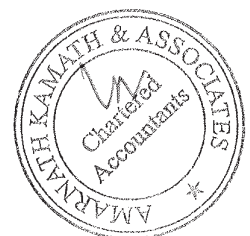
Secured

a) Loans repayable on demand from Banks	-	-
b) Loans repayable on demand from Financial Institutions	-	-
c) Loans and advances from related parties	-	-
d) Deposits	-	-
f) Other loans and advances	-	-
	<hr/>	<hr/>

Unsecured

a) Loans repayable on demand from Banks	-	-
b) Loans repayable on demand from Other parties	-	-
c) Loans and advances from related parties	-	-
d) Deposits	-	-
f) Other loans and advances	-	-
	<hr/>	<hr/>

Total - -



Trade Payables 7

Acceptances	-	-
Other than Acceptances	-	-
	<u>-</u>	<u>-</u>

Other Current Liabilities 8

(a) Current maturities of long-term debt	-	-
(b) Current maturities of finance lease obligations	-	-
(c) Interest accrued but not due on borrowings	-	-
(d) Interest accrued and due on borrowings	-	-
(e) Income received in advance (Unearned revenue)	-	-
(f) Unclaimed dividends	-	-
(g) Other payables	-	-
(i) Statutory remittances	38,348	1,945,701
(ii) Payables on purchase of fixed assets	-	-
(iii) Contractually reimbursable expenses	-	-
(iv) Interest accrued on trade payables	-	-
(v) Interest accrued on others	-	-
(vi) Trade / security deposits received	-	-
(vii) Advances from customers	-	-
(viii) Others (specify nature)	-	-
	<u>38,348</u>	<u>1,945,701</u>

Short Term Provisions 9

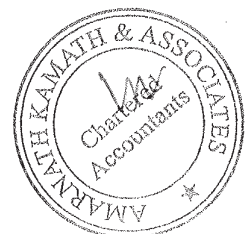
(a) Provision for employee benefits:	-	-
(i) Provision for bonus	-	-
(ii) Provision for compensated absences	-	-
(iii) Provision for gratuity	-	-
(iv) Provision for post-employment medical benefits	-	-
(v) Provision for other defined benefit plans	-	-
(vi) Provision for other employee benefits (give details)	-	-
(b) Provision - Others:	-	-
(i) Provision for tax (net of advance tax) ____ (As at 31 Marct	-	-
(ii) Provision for premium payable on redemption of bonds	-	-
(iii) Provision for estimated loss on derivatives	-	-
(iv) Provision for warranty	-	-
(v) Provision for estimated losses on onerous contracts	-	-
(vi) Provision for other contingencies	-	-
(vii) Provision for proposed equity dividend	-	-
(viii) Provision for proposed preference dividend	-	-
(ix) Provision for tax on proposed dividends	-	-
(x) Provision - others (give details)	-	-
	<u>-</u>	<u>-</u>

Amount due to Related companies 10

Intra Group Other Liabilities Elimination	-	-
Intra group loans payable	-	-
	<u>-</u>	<u>-</u>

1. NON CURRENT ASSETS**Long Term Loans and Advances 13**

(a) Capital advances	-	-
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful advances	-	-
	<u>-</u>	<u>-</u>
(b) Security deposits	-	-
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
	<u>-</u>	<u>-</u>
(c) Loans and advances to related parties	-	-
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	<u>-</u>	<u>-</u>
(d) Loans and advances to employees	-	-
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	<u>-</u>	<u>-</u>
(e) Prepaid expenses - Unsecured, considered good	-	-
(f) Advance income tax (net of provisions)	-	-
(h) Balances with government authorities	-	-
Unsecured, considered good	-	-
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	-	-
(iii) Service Tax credit receivable	-	-
(iv) Others	-	-
(i) Other loans and advances (specify nature)	-	-
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for other doubtful loans and advances	-	-
	<u>-</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>



Other Non Current Assets 14

(a) Long-term trade receivables		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	<hr/>	<hr/>
(b) Unamortised expenses		
(i) Ancillary borrowing costs	-	-
(ii) Share issue expenses (where applicable)	-	-
(iii) Discount on shares (where applicable)	-	-
(c) Accruals		
(i) Interest accrued on deposits	-	-
(ii) Interest accrued on investments	-	-
(iii) Interest accrued on trade receivables	-	-
(d) Others		
(i) Insurance claims	-	-
(ii) Receivables on sale of fixed assets	-	-
(iii) Contractually reimbursable expenses	-	-
(iv) Others (specify nature)	-	-
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2. CURRENT ASSETS**Inventories 16**

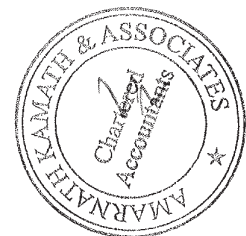
(a) Raw materials	-	-
Goods-in-transit	-	-
(b) Work-in-progress	-	-
Goods-in-transit	-	-
(c) Finished goods (other than those acquired for trading)	-	-
Goods-in-transit	-	-
(d) Stock-in-trade (acquired for trading)	-	-
Goods-in-transit	-	-
(e) Stores and spares	-	-
Goods-in-transit	-	-
(f) Loose tools	-	-
Goods-in-transit	-	-
(g) Others (Specify nature)	-	-
Goods-in-transit	-	-
	<hr/>	<hr/>

Trade Receivables 17

Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	<hr/>	<hr/>
Other Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful trade receivables	-	-
	<hr/>	<hr/>
Total	<hr/>	<hr/>

Cash and Bank Balances 18

<u>Cash and Cash Equivalents</u>		
(a) Cash on hand	-	-
(b) Cheques, drafts on hand	-	-
(c) Balances with banks		
(i) In current accounts	39,183	1,988,044
(ii) In EEFC accounts	-	-
(iii) In deposit accounts	-	-
(iv) In earmarked accounts	-	-
- Unpaid dividend accounts	-	-
- Unpaid matured deposits	-	-
- Unpaid matured debentures	-	-
- Share application money received for allotment of securities and due for refu	-	-
- Other earmarked accounts	-	-
(d) Others (specify nature)	-	-
Bank Balances		
- Balances held as margin money or security against borrow	-	-
Total	<hr/>	<hr/>
	39,183	1,988,044

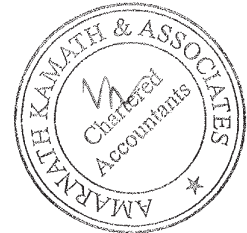


Short Term Loans and Advances 19

(a) Security deposits		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful deposits	-	-
	<hr/>	<hr/>
(b) Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good	1,599,022	81,131,192
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	<hr/>	<hr/>
	1,599,022	81,131,192
(d) Loans and advances to employees		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for doubtful loans and advances	-	-
	<hr/>	<hr/>
	-	-
(e) Prepaid expenses - Unsecured, considered good	-	-
(f) Advance income tax (net of provisions)	-	-
(h) Balances with government authorities		
Unsecured, considered good		
(i) CENVAT credit receivable	-	-
(ii) VAT credit receivable	-	-
(iii) Service Tax credit receivable	-	-
(iv) Others	-	-
(i) Other loans and advances (specify nature)		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Less: Provision for other doubtful loans and advances	-	-
	<hr/>	<hr/>
	-	-
Total	<hr/>	<hr/>
	1,599,022	81,131,192

Other Current Assets 20

(a) Unbilled Revenue	-	-
(b) Unamortised expenses		
(i) Ancillary borrowing costs	-	-
(ii) Share issue expenses (where applicable)	-	-
(iii) Discount on shares (where applicable)	-	-
(iv) Other Deferred Expenses	-	-
(c) Accruals		
(i) Interest accrued but not received / Interest receivable	-	-
(ii) Interest accrued on investments	-	-
(iii) Interest accrued on trade receivables	-	-
(d) Others		
(i) Insurance claims	-	-
(ii) Receivables on sale of fixed assets	-	-
(iii) Contractually reimbursable expenses	-	-
(iv) Others (specify nature)	-	-
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	-	-



Strides Arcolab (Australia) Pty Ltd

Schedules forming part of the Consolidated Profit & Loss account

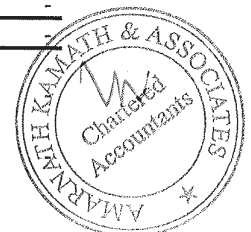
	<u>For the year ended</u>	
	<u>31-Mar-16</u>	<u>31-Mar-16</u>
	<u>AUD</u>	<u>INR</u>
<u>Revenue From Operations 21</u>		
Sale of products	-	-
Sale of Services	-	-
Other Operating Revenue	-	-
Less: Excise duty	-	-
Revenue from Operations	-	-
<u>Other Income 26</u>		
Exchange fluctuation gain (net)	-	-
Dividend Income	-	-
Net gain on sale of Investments	-	-
Profit on Sale / Disposal of assets	-	-
Interest Income	562	27,087
Other Non Operating Income	-	-
Total	562	27,087

Cost Of Materials Consumed 22.1

Cost of Materials Consumed		
Opening stock	-	-
Opening stock - Exchange Differentials	-	-
Purchases	-	-
Closing stock	-	-
Closing stock - Exchange Differential	-	-
Total	-	-

INCREASE / (DECREASE) IN STOCK 22.3

i) Opening stock		
Work in process	-	-
Stock In Trade	-	-
Finished goods	-	-
	-	-
ii) Closing stock		
Work in process	-	-
Stock In Trade	-	-
Finished goods	-	-
	-	-
iii) Exchange Rate Difference on the Stock Items		
Total	-	-



Employee Benefit Expenses 23

Salaries and wages	-	-
Contribution to provident and other funds	-	-
Expense on employee stock option (ESOP) s	-	-
Staff welfare expenses	-	-
Total		<hr/>

Other Expenses 24

Power, fuel & water	-	-
Consumables	-	-
Conversion & Processing charges	-	-
Excise duty paid	-	-
Freight & forwarding	-	-
Rent	-	-
Rates & taxes	-	-
Communication charges	-	-
Repairs & maintenance	-	-
- Buildings	-	-
- Machinery	-	-
- Others	-	-
Insurance	-	-
Travelling & conveyance	-	-
Advertisement & Selling expenses	-	-
Commission on sales	-	-
Legal and Professional fees	-	-
Other expenses	-	-
Cost of product rights transferred	-	-
Provision for doubtful debts	-	-
Exchange fluctuation Loss	-	-
Total		<hr/>

Finance Cost 25

Interest Income		
		<hr/>
		<hr/>

Finance Cost 26

Bank charges & commission	705	33,989
Interest on Borrowings	-	-
Interest on Trade Payable	-	-
Other Interest Cost	-	-
Other Borrowing Cost	-	-
Total	<hr/>	<hr/>

