Strides Shasun

Strides Shasun Limited
"Strides House",
Bilekahalli, Bannerghatta Road,
Bengaluru - 560076. Karnataka.

Tel : +91 80 6784 0000
info@stridesshasun.com
www.stridesshasun.com

August 17, 2016

The Manager Listing
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Scrip code: 532531

The Manger Listing
The National Stock Exchange of India Limited
Exchange Plaza , Bandra-Kurla Complex
Bandra (E) Mumbai - 400 051
Scrip code: STAR

Dear Sirs,

Sub: Outcome of Board Meeting - Standalone & Consolidated Unaudited Financial Results along with Limited Review Report for the quarter ended June 2016 & Press Release

We are pleased to enclose the Standalone and Consolidated Unaudited Financial Results of the Company along with Limited Review Report of the statutory auditors for the quarter ended June 2016, as approved by the Board of Directors of the Company at their meeting held today, along with a press release issued in this regard.

The board meeting commenced at 1100 hrs and concluded at 1330 hrs.

This is for your information and records.

Thanks & Regards,
For **STRIDES SHASUN LIMITED,**

BADREE KOMANDUR
GROUP CFO & CS

STRIDES SHASUN

Strides Shasun Limited - (Formerly known as Strides Arcolab Limited) CIN : L24230MH1990PLC057062
REGD. OFF : 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400703, India / Tel : 91 22 2789 2924 / 91 22 2789 3199 / Fax : 91 22 2789 2942

Strides Shasun

Press Release

Strides Shasun announces Q1 FY17 results
Q1 FY17 Pharma Revenues* at INR 8,699 Mn, Growth of 43% YoY, Pharma EBITDA at INR 1,451 Mn, Growth of 57% YoY

Bengaluru, August 17, 2016: Strides Shasun (BSE: 532531, NSE: STAR) today announced its Q1 FY17 results under Indian Accounting Standards (Ind-AS)

Consolidated Financial & Performance Highlights (Pharma & Biotech) INR Mn

Particulars	Q1 FY16	Q1 FY17	YoY
Revenues*	6,094	**8,699**	**43%**
EBITDA	883	**1,437**	**63%**
EBITDA %	*15%*	***17%***	***200bps***
Adj PAT*		**417**	
Adj EPS*		**4.67**	

* Including MTM gain on Mutual funds INR 61 Mn, excluding Merger & restructuring costs of INR 46 Mn and Fair valuation of derivative Instruments and others INR 49 Mn

- Starting this quarter, results prepared under Indian Accounting Standards (Ind-AS)
- Total revenues* at INR 8,699 Mn against INR 6,094 Mn in Q1 FY16 , up 43% YoY
- Gross Margin at 51% versus 49% in Q1 FY16, expansion of 140 bps
- Research and development spend for the quarter at INR 228 Mn up 75% YoY.
- Total EBITDA at INR 1,437 Mn against INR 883 Mn up 63% YoY
- Net Interest cost for the quarter at INR 390 Mn
- Depreciation and amortization for the quarter at INR 484 Mn. Increase in depreciation and amortization on account of full quarter impact of acquisitions from previous quarter and closure of Moberg portfolio and Universal Corporation acquisitions during the quarter
- Adjusted PAT for Q1 FY 17 at INR 417 Mn, Adjusted EPS at INR 4.67

Arun Kumar, Executive Vice Chairman and Managing Director, stated "Our regulated markets business and institutional business continue to track well and have delivered another strong quarterly performance. Integration of inorganics in emerging markets has taken longer than we anticipated. All the acquired businesses are now integrated and we believe emerging markets will return to normal growth in the near future. The commodity API business continues to put pressure on margins with cost of compliance going up. We are focussed on improving the quality of our businesses and have taken various initiatives that will start bearing results in the second half of the fiscal year"

***Due to changes under IND AS SEBI results publish gross revenues versus Net Revenues in the past, however for comparison to historical performance in press release we have taken Revenues as Gross revenues – Excise**

STRIDES SHASUN LIMITED

Strides Shasun

Pharma Performance Highlights – Q1 FY17

Global Pharma Business

INR Mn

Particulars	Q1 FY16	Q1 FY17	YoY Growth %
Revenues	6,094	**8,699**	43%
EBITDA	923	**1,451**	57%
EBITDA %	*15%*	***17%***	*150bps*
Adj Pharma EPS*		**4.97**	

* Including MTM gain on Mutual funds INR 61 Mn, excluding Merger & restructuring costs of INR 46 Mn, Biotech INR 27 Mn and Fair valuation of derivative Instruments and others at INR 49 Mn

Revenue Composition by Business - Global Pharma

INR Mn

Particulars	Q1 FY16	Q1 FY17	YoY Growth %
Regulated Markets	1,784	**3,706**	100% +
Emerging Markets	877	**1,447**	65%
Institutional Business	985	**1,378**	40%
PSAI	2,448	**2,168**	-11%
Total Revenues	6,094	**8,699**	**43%**

Regulated Markets Business

- Revenues at INR 3,706 Mn in Q1 FY17, representing 43% of total revenues
- Revenues grew more than 100% to INR 3,706 Mn against INR 1,784 Mn in Q1 FY16
- All front end markets tracking well with healthy EBITDA margins in spite of higher investments in R&D to build the future pipeline
- In North America, base portfolio delivered a steady performance while the growth in revenues was driven by improved market share for recently commercialised products and successful re-launch of acquired Moberg OTC portfolio under Strides label.
- Witnessing improved product approval rate under GDUFA goal date regime. Received three product approvals during the quarter from USFDA including first FTF approval – Roflumilast (Market Value US$ 174 Mn), Metronidazole Tablets (Market Value US$ 50 Mn) and Efavirenz Tablet (Market Value US$ 150 Mn).
- Arrow pharmaceutical in Australia delivered a steady quarterly performance benefiting from a strong performance by branded portfolio and launch of two first to market opportunities in the generic portfolio. Strengthening product portfolio for generics and consumer businesses, improving compliance for Arrow portfolio at pharmacy level and building supply chain efficiencies through backward integration to be the key priorities for the year.

Emerging Markets Business

- Revenues at INR 1,447 Mn in Q1 FY17, representing 17 % of total revenues
- Revenues grew by 65% to INR 1,447 Mn against INR 877 Mn in Q1 FY16

STRIDES SHASUN LIMITED

- Africa business delivered steady performance during the quarter despite macro headwinds including forex shortage in few countries. Universal Corporation's acquisition in east Africa successfully integrated during the quarter. Exercise to match primary and secondary inventory has taken longer than expected, business to see strong rebound in H2 FY 17. Focus on strengthening presence across sub Saharan Africa by leveraging a strong portfolio, better penetration through local field force and scaling up of local manufacturing set up including new plants going on stream.
- First full quarter contribution of India acquisitions, integration of inorganics taking longer than anticipated including re - calibration of supply chain.
- Entry into new market of South East Asia and Russia CIS gaining momentum, focus on product registrations and scaling up local sales and marketing footprint

Institutional Business

- Revenues at INR 1,378 Mn in Q1 FY17, representing 16 % of total revenues
- Revenues grew by 40% to INR 1378 Mn against INR 985 Mn in Q1 FY16
- Strong quarterly performance driven by Anti Malaria portfolio, lumpiness in ARV portfolio
- HCV franchise including "Virso" and "Virpas" gaining strength in key emerging markets
- Focus on improving market share for donor funding programs through local manufacturing of institutional products in Africa and backward integration to API

Pharmaceutical Services and Active Ingredients (PSAI)

- Revenues at INR 2,168 Mn in Q1 FY17, representing 25 % of total revenues
- Revenues decline 11% to INR 2,168 Mn against INR 2,448 Mn in Q1 FY16
- Weakness in API business on account of lower customer off take, portfolio rationalization with a focus on improving product mix and ongoing realignment of infrastructure for captive consumption. Lower revenue base and higher compliance cost impacts margins for the business during the quarter. Restructuring efforts have been stepped up, expect quality of business to start improving towards the end of the fiscal year.
- CRAMS business divestment to be completed in Q2 FY17

Pharma R&D – Building robust product pipeline

- R&D spend for Q1 FY17 at INR 228 Mn, against INR 130 Mn in Q1 FY16
- 53 cumulative ANDA filings (non-PEPFAR) with USFDA including 1 product filed during the quarter
- 27 ANDA filings pending approval from USFDA
- 18 cumulative PEPFAR filings with 17 tentative approvals

Corporate Updates

Carving out API commodity division

While retaining the key strategic rationale for the merger with Shasun for integrated product development and supply chain security, we find the large commodity API manufacturing business (Ibuprofen, Gabapentin, Ranitidine) requires a different level of focus. With the new set of regulatory and

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statutory compliance the commodity API business will need its own leadership team and strategy. To achieve its strategic objectives the business will be carved out as a 100% subsidiary.

Other corporate updates

- Successful USFDA audit at Bangalore facility in February 2016 , Establishment Inspection report received
- Completed USFDA audit of the new topical's block at the Bangalore facility, Zero 483 observations
- Successful closure of Universal corporation acquisition in East Africa during the quarter
- Generic Partners acquisition achieved closure, to accelerate R&D efforts for Australian Market
- Shareholder's approval in place for divestment of CRAMS API business, transaction closure subject to other customary closing conditions

Biotech

- R&D spend during the quarter at INR 14 Mn, against INR 40 Mn in Q1 FY16
- Successfully scaled up our first biosimilar bioprocess for the pivotal clinical study
- Published the pilot phase 1 study report for our first biosimilar
- Initiated production of biocompatibility batches for our second biosimilar
- Civil construction is on schedule for our bio-pharmaceutical facility at Doddaballapur, Bangalore
- 100% Export Oriented Unit (EOU) license received for the upcoming bio-pharmaceutical facility at Doddaballapur, Bangalore

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Annexure:

EBITDA Computation:

	Q1 FY17
SEBI Results	**Column 1**
Profit from ordinary activities before finance cost & Exceptional Items as per SEBI reporting	**1,168**
Less: Interest, Dividend income, Gain on sale of securities	**215**
Add : Depreciation and Amortization	***484***
Consolidated EBITDA as per press release	**1,437**
Add: Biotech R&D Spend	**14**
Global Pharma EBITDA as per press release	**1,451**

About Strides Shasun

Strides Shasun, listed on the Bombay Stock Exchange Limited (532531) and National Stock Exchange of India Limited (STAR), is a vertically integrated global pharmaceutical Company headquartered in Bangalore. The Company has four business verticals, viz., Regulated Markets, Emerging Markets, Institutional Business and Pharmaceutical Services & Active Ingredients.

The Company has global manufacturing foot print with 14 manufacturing facilities spread across three continents including 6 US FDA approved facilities and 8 facilities for the emerging markets. The Company has three dedicated R&D facilities in India with global filing capabilities and a strong commercial footprint across 85 countries Additional information is available at the Company's website at www.stridesarco.com

For further information, please contact:

Strides	**PR Consultancy**
Badree Komandur, CFO +91 80 6784 0747 Investors: Kannan. N: +91 98450 54745 Vikesh Kumar: +91 80 6784 0827 Sandeep Baid : +91 80 6784 0791	**Fortuna PR** K Srinivas Reddy: +91 9000527213 srinivas@fortunapr.in K Priya: +91 9535425418 priya@fortunapr.in

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2016

Rs. in Lakhs

Sl. No.	Particulars	3 Months ended 30.06.2016	Corresponding 3 Months ended 30.06.2015 in the previous year (Recast as per Note 2 and 3)
		UNAUDITED	UNAUDITED
		(1)	(2)
1	**Income from operations**		
	(a) Net Sales / Income from Operations (inclusive of excise duty)	84,462	58,400
	(b) Other Operating Income	3,095	2,904
	Total Income from operations (net)	**87,557**	**61,304**
2	**Expenses**		
	(a) Cost of material consumed	26,801	29,449
	(b) Purchases of stock-in-trade	16,286	3,484
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,077)	(2,349)
	(d) Employee benefits expense	16,505	10,759
	(e) Depreciation and amortisation expense	4,838	3,182
	(f) Other expenses	17,730	12,794
	Total expenses	**79,083**	**57,319**
3	**Profit/(Loss) from Operations before Other Income, finance cost & Exceptional Items (1-2)**	**8,474**	**3,985**
4	Other Income	3,209	2,922
5	**Profit/ (Loss) from ordinary activities before finance cost & Exceptional Items (3+4)**	**11,683**	**6,907**
6	Finance costs	6,042	2,773
7	**Profit/(Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)**	**5,641**	**4,134**
8	**Exceptional Items:**		
	- Exchange Fluctuation (loss) / gain (Net) (Refer note 11)	(1,323)	(231)
	- Merger and restructuring costs	(459)	(401)
	- Recovery of loans & advances written off in earlier years	487	131
	- Impact of aligning accounting policies on merger of Shasun (Refer note 3)	-	(1,682)
	- Fair valuation of derivative instruments	(167)	(44)
9	**Profit / (Loss) from Ordinary Activities before tax (7+ 8)**	**4,179**	**1,907**
10	Tax expense	922	755
11	**Net Profit / (Loss) after tax (9-10)**	**3,257**	**1,152**
12	Share of profit / (loss) from associates and Joint ventures	(10)	(155)
13	**Net Profit after taxes and share of loss of associates and joint ventures but before minority interest (11+12)**	**3,247**	**997**
14	Share of profit / (loss) attributable to Minority interest (net)	643	(65)
15	**Net Profit / (Loss) after taxes and minority interest and share of loss of associates and joint ventures (13-14) [A]**	**2,604**	**1,062**
16	Other Comprehensive Income (OCI) (net of tax) [B]	(3,657)	(304)
17	**Total Comprehensive Income for the period [A+B]**	**(1,053)**	**758**
18	Paid-up Equity Share Capital (Face value of Rs.10/-each)	8,936.60	8,063.31
19	**Earnings per share (face value of Rs. 10/- each) - not annualised**		
	(a) Basic EPS (Rs.)	2.91	1.34
	(b) Diluted EPS (Rs.)	2.91	1.32
	See accompanying notes to the Financial Results		

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2016

Notes:

1 The above statement of consolidated unaudited financial results of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 17, 2016. The statutory auditors of the Company have carried out the limited review of the results for quarter ended June 30, 2016.

2 These financial results have been prepared in accordance with India Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and in terms of the Listing Regulation, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The Company has opted to avail the relaxation provided by Securities and Exchange Board of India ('SEBI') in respect of disclosure requirements for corresponding figures for the earlier periods. The results for the quarter ended June 30, 2015 have been recasted to be Ind AS compliant and have not been subjected to limited review.

3 During the previous year, pursuant to the court approved Scheme of Amalgamation, Shasun Pharmaceuticals Limited (the 'Shasun') has been amalgamated with the Company w.e.f. the appointed date of April 01, 2015 and the effective date of merger was November 19, 2015. Hence, the results for the quarter ended June 30, 2015 have been recast to reflect the merger of Shasun with the Company.

Ind AS 103 'Business Combination' is not applicable to the above referred merger in view of the Scheme sanctioned by the Hon'ble High Courts of Judicature under section 391 to 394 of the Companies Act, 1956.

The Company has followed the 'Pooling of Interest method' as per the court approved Scheme of Amalgamation for the accounting of Assets and Liabilities of erstwhile Shasun. The impact of aligning the accounting policies between the two entities on the assets and liabilities taken over on merger amounting to Rs. 1,682 lakhs has been expensed off in the results for the quarter ended June 30, 2015 under exceptional items.

The Company has issued 21,017,329 equity shares of Rs. 10/- each to the shareholders of erstwhile Shasun in terms of the Scheme of Amalgamation. These shares have been considered for the purpose of calculation of earnings per share.

4 Reconciliation of Net Profit for the quarter ended June 30, 2015 as reported earlier in accordance with previous Indian GAAP and now being reported in accordance with Ind AS, as stated in note 2 above is as follows:

Rs. in Lakhs

Particulars	3 Months ended 30.06.2015
	UNAUDITED
Net profit as reported under previous GAAP	4,186
Add: Net profit of erstwhile Shasun Pharmaceuticals Limited as per previous GAAP (Refer note 3 above)	380
Less: Merger adjustments for aligning the accounting policies difference as mentioned in note 3 above and elimination of stock margin	(1,948)
Adjusted Net profit as per Previous GAAP	**2,618**
Add / (Less): Adjustments for GAAP Differences	
Impact of measuring ESOP at fair value	(72)
Impact of measuring financial Instruments at fair value through profit or loss	(3,137)
Unwinding effect of discounted long-term liabilities	(44)
Impact of amortisation of Intangible assets over the revised useful life	85
Tax impact on Ind AS adjustments	1,720
Other Ind AS adjustments	(108)
Net profit for the quarter as per Ind AS	**1,062**

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2016

5 During the current quarter, 20,000 equity shares were allotted by the Company under the Strides Arcolab ESOP 2011 Scheme on exercising equal number of options.

6 The Company had entered into a definitive agreement in February 2016, to acquire a strategic stake in Generic Partners Holdings Co. Pty Ltd. (the "Generic Partners"), an Australian pharmaceutical supply and research company. Subsequent to June 30, 2016, Strides Pharma Global Pte Limited, a wholly owned subsidiary of the Company has completed the acquisition of Generic Partners.

7 In the current quarter, Strides Pharma (Cyprus) Limited, a wholly owned subsidiary of the Company completed the acquisition of a controlling stake in Universal Corporation Limited (Universal), Kenya.

8 Strides Pharma Inc. USA, a wholly owned subsidiary of the Company completed during the quarter, the acquisition of Jointflex, Fergon and Vanquish brands from Moberg Pharma, Sweden and its affiliates.

9 The Board of Directors of the Company and the Members of Company in their meeting held on May 16, 2016 and June 28, 2016, subject to the approval of applicable laws, consents, permission and sanctions as may be necessary, approved the divestment of investment in Shasun Pharma Solutions Limited (SSPL), UK, a wholly owned step-down subsidiary of the Company to a Company to be set up by the current management team of SSPL and members of the promoter group of the Company. SSPL is in the business of Contract Research and Manufacturing. As at June 30, 2016, certain conditions precedent and closing condition were pending to be completed. The Directors of the Company expect that the fair value less costs to sell the business will be higher than the aggregate carrying amount of related net assets. The results of discontinued operations included in the profit for the period are set out below:

Rs. in Lakhs

Sl. No.	Particulars	3 Months ended 30.06.2016	3 Months ended 30.06.2015
		UNAUDITED	UNAUDITED
1	Income from operations	7,958	7,722
2	Total expenses	7,817	7,581
3	**Profit from discontinued operations before other income, finance cost & exceptional items (1-2)**	**141**	**141**
4	Other income	30	17
5	**Profit from discontinued operations before finance cost & exceptional items (3+4)**	**171**	**158**
6	Finance cost	203	224
7	**Loss from discontinued operations before exceptional items (5-6)**	**(32)**	**(66)**
8	Exceptional items	-	-
9	**Loss from discontinued operations before tax (7+8)**	**(32)**	**(66)**
10	Tax expense	26	42
11	**Loss from discontinued operations for the period (9-10)**	**(58)**	**(108)**

10 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 Investments 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 include a US$ 100 million tax escrow deposit (out of which US$ 8.00 million has been settled in earlier year to be paid to Mylan in relation to certain claims) and a US$ 100 million regulatory escrow deposit. 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. During the quarter ended December 31, 2015, the Company received a consolidated notification of claims from Mylan under the terms of the SPAs.

These include third party claims, tax claims, claims against the regulatory escrows and general claims. A significant portion of these are estimates of potential claims / losses that Mylan expects to incur and involve significant uncertainties. The Company has formally responded to Mylan disputing the claims and also sought further details / clarifications on each of the items mentioned in the notifications of claims. Given the nature of the claims involved and the extent of information made available by Mylan so far, the Company is not able to make a reliable estimate of its obligations, if any, with regard to these claims. Considering the terms of the SPAs and the amounts in the respective escrows, the Company believes that any further outflow of resources is not probable.

11 Exchange fluctuation gain/loss (net) included under Exceptional Items comprises the exchange gain / loss arising on account of restatement and settlement of long term foreign currency loans and intra-group loans.

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2016

12 The Group's operations have been classified into two business segments viz., "Pharmaceutical business" and "Biotech business". Segment wise Revenue. Details of respective segments :

Rs. in Lakhs

	Particulars	3 Months ended 30.06.2016	Corresponding 3 Months ended 30.06.2015 in the previous year (Recast as per Note 2 and 3)
		UNAUDITED	UNAUDITED
1	**Segment Revenue**		
	a) Pharmaceutical business	87,557	61,304
	b) Biotech business	-	-
	Revenue from operations	**87,557**	**61,304**
2	**Segment results Profit/(Loss) allocable**		
	a) Pharmaceutical business	9,922	6,043
	b) Biotech business	(245)	(200)
	Total	**9,677**	**5,843**
	Add / (Less): Unallocable Income/(expenses):		
	Other Income	2,145	1,195
	Finance cost	(6,042)	(2,773)
	Items considered under exceptional items:		
	- Exchange (loss) / gain on long-term foreign currency loans, intra-group loans	(1,323)	(231)
	- Merger and restructuring costs	(459)	(401)
	- Recovery of loans & advances written off in earlier years	348	-
	- Impact of aligning accounting policies on merger of Shasun (Refer note 3)	-	(1,682)
	- Fair valuation of derivative instruments	(167)	(44)
	Profit before tax from continuing and discontinued operations	**4,179**	**1,907**
	Tax expense	922	755
	Profit before allocation to minority interest	**3,257**	**1,152**
	Share of profit / (loss) from associates and Joint ventures	(10)	(155)
	Net Profit after taxes and share of loss of associates and joint ventures but before minority interest	**3,247**	**997**
	Share of profit / (loss) attributable to Minority interest (net)	643	(65)
	Profit for the period	**2,604**	**1,062**
3	**Segment Assets**		
	a) Pharmaceutical business	621,321	313,810
	b) Biotech business	15,324	17,519
	c) Unallocable	153,778	70,918
	Total Segment Assets	**790,423**	**402,247**
4	**Segment Liabilities**		
	a) Pharmaceutical business	94,539	130,999
	b) Biotech business	813	527
	c) Unallocable	419,312	107,436
	Total Segment Liabilities	**514,664**	**238,962**

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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
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13 Information on Standalone Results : -

Rs. in Lakhs

	Particulars	3 Months ended 30.06.2016	Corresponding 3 Months ended 30.06.2015 in the previous year (Recast as per Note 2 and 3)
		UNAUDITED	UNAUDITED
	Total Income from operations	51,403	48,657
	Profit before Tax	2,994	2,418
	Profit after Tax	2,716	1,451

For and on behalf of the Board

Arun Kumar
Executive Vice Chairman & Managing Director

Bengaluru, August 17, 2016

Deloitte Haskins & Sells

Chartered Accountants
Deloitte Centre
Anchorage II
100/2 Richmond Road
Bengaluru - 560 025
India

Tel: +91 (080) 6627 6000
Fax: +91 (080) 6627 6013

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF STRIDES SHASUN LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **STRIDES SHASUN LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its jointly controlled entities and its share of the loss of its associates for the Quarter ended June 30, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. The Statement includes the results of the following entities:

Sl. No.	Name of the entities
1	Africa Pharmaceutical Development Company
2	Akorn Strides LLC
3	Alliance Pharmacy Pty Limited
4	Altima Innovation Inc
5	Aponia Laboratories Inc.
6	Arrow Pharma (Private) Limited (formerly known as Lex Pharma Lanka (Private) Limited)
7	Arrow Pharma Life Inc.
8	Arrow Pharma Pte Limited (formerly known as Strides Remedies Pte. Limited)
9	Arrow Pharma Pty Limited (formerly known as Strides Arcolab (Australia) Pty Limited)
10	Arrow Remedies Private Limited (formerly known as Lex Pharma Private Limited)
11	Arrow Pharmaceuticals Pty Limited (formerly known as Strides (Australia) IP Pty Limited)
12	Beltapharm SpA
13	Chemsynth Laboratories Private Limited

W/

14 Congo Pharma SPRL
15 Fagris Medica Private Limited
16 Oncobiologics Inc
17 Pharmacy Alliance Group Holdings Pty Limited
18 Pharmacy Alliance Investments Pty Limited
19 Pharmacy Alliance Pty Limited
20 Shasun NBI LLC
21 Shasun Pharma Solutions Inc.
22 Shasun Pharma Solutions Limited
23 Shasun USA Inc.
24 Sorepharma SA
25 SPC Co. Limited
26 Stabilis Pharma Inc
27 Stelis Biopharma (Malaysia) SDN BDH (formerly known Agila Biotech (Malaysia) SDN BHD)
28 Stelis Biopharma Private Limited (formerly known Inbiopro Solutions Private Limited)
29 Strides Africa Limited
30 Strides Arcolab (Australia) Pty Limited
31 Strides Arcolab International Limited
32 Strides Biologix Private Limited
33 Strides CIS Limited
34 Strides Emerging Markets India Private Limited
35 Strides Healthcare Private Limited (formerly known as Strides Actives Private Limited)
36 Strides Pharma (Cyprus) Limited
37 Strides Pharma (SA)
38 Strides Pharma (UK) Limited
39 Strides Pharma Asia Pte. Limited (formerly known Agila Specialties Asia Pte. Limited)
40 Strides Pharma Botswana (Pty) Limited
41 Strides Pharma Cameroon Limited
42 Strides Pharma Global Pte Limited
43 Strides Pharma Inc
44 Strides Pharma International Limited
45 Strides Pharma Limited
46 Strides Pharma Mozambique
47 Strides Pharma Namibia Pty Limited
48 Strides Shasun (UK) Limited (formerly known as Co-Pharma Limited)
49 Strides Specialties (Holdings) Limited
50 Strides Vital Nigeria Limited
51 SVADS Holdings SA
52 Universal Corporation

4. We did not review the interim financial information of 16 subsidiaries included in the consolidated financial results, whose interim financial results reflect total revenues of Rs. 45,578 Lakhs for the Quarter ended June 30, 2016, and total profit after tax of Rs. 2,033 Lakhs and Total comprehensive income of Rs. 2,033 Lakhs for the Quarter ended June 30, 2016, as considered in the consolidated financial results. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

5. The consolidated financial results includes the interim financial information of 34 subsidiaries and 1 jointly controlled entities which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs. 5,134 Lakhs for the Quarter ended June 30, 2016, and total loss after tax of Rs. 3 Lakhs and Total comprehensive loss of Rs. 3 Lakhs for the Quarter ended June 30, 2016, as considered in the consolidated financial results. The consolidated financial results also includes the Group's share of loss after tax of Rs. 10 Lakhs and Total comprehensive loss of Rs. 10 Lakhs the Quarter ended June 30, 2016, as considered in the consolidated financial results, in respect of 1 associate, based on their interim financial information which have not been reviewed by their auditors.

6. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above and except for the possible effects of the matter described in paragraph 5 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

7. **Emphasis of Matter**

   We draw attention to Note 10 to the Statement regarding the notification of claims received from Mylan under the terms of the Share Purchase Agreements (SPAs) for sale of the investments in entities in the Specialties products business in an earlier year, which the Company has disputed. As stated in the Note, the Company has provided a guarantee in favour of Mylan and certain amounts have been set aside in escrows under the terms of the SPAs. As explained in the Note, given the nature of the claims included in the notification and the information provided by Mylan so far, the Company has not been able to make a reliable estimate of obligations, if any, on these claims and has made the disclosures under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" in this regard. Our opinion on the Statement is not qualified in respect of this matter.

8. We have not reviewed the consolidated financial results and other financial information for the Quarter ended June 30, 2015 which have been presented solely based on the financial information compiled by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Srikumar
Partner
(Membership No. 84494)

BENGALURU, August 17, 2016

Strides Shasun

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

STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2016

Sl. No.	Particulars	Rs. in Lakhs	
		3 Months ended 30.06.2016	Corresponding 3 Months ended 30.06.2015 in the previous year (Recast as per Note 2 & 3)
		UNAUDITED	UNAUDITED
		(1)	(2)
1	**Income from operations**		
	(a) Net Sales / Income from Operations	47,829	45,605
	(b) Other Operating Income	3,574	3,052
	Total Income from operations (net)	**51,403**	**48,657**
2	**Expenses**		
	(a) Cost of material consumed	24,705	26,186
	(b) Purchases of stock-in-trade	2,487	2,442
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,740)	(669)
	(d) Employee benefit expenses	8,490	6,294
	(e) Depreciation and amortisation expense	2,907	2,480
	(f) Other expenses	10,613	8,884
	Total expenses	**47,462**	**45,617**
3	**Profit/(Loss) from Operations before Other Income, finance cost & Exceptional Items (1-2)**	**3,941**	**3,040**
4	Other Income	3,544	3,844
5	**Profit/ (Loss) from ordinary activities before finance cost & Exceptional Items (3+4)**	**7,485**	**6,884**
6	Finance costs	2,879	2,087
7	**Profit/(Loss) from ordinary activities after finance cost but before Exceptional Items (5-6)**	**4,606**	**4,797**
8	**Exceptional Items:**		
	- Exchange Fluctuation (loss) / gain (Net)	(1,466)	(616)
	- Merger and restructuring costs	(145)	(81)
	- Impact of aligning accounting policies on merger of Shasun (Refer note 3)	-	(1,682)
9	**Profit / (Loss) from Ordinary Activities before tax (7+ 8)**	**2,995**	**2,418**
10	Tax Expense / (credit) (net)	277	967
11	**Net Profit / (Loss) after tax (9-10) - A**	**2,718**	**1,451**
12	**Other Comprehensive Income (OCI) (net of tax) - B**	(369)	**(195)**
13	**Total Comprehensive Income for the period - [A+B]**	**2,349**	**1,256**
12	Paid-up Equity Share Capital (Face value of Rs.10/-each)	8,936.60	8,063.31
13	**Earnings per share (face value of Rs. 10/- each) - not annualised**		
	(a) Basic EPS (Rs.)	**3.04**	**1.84**
	(b) Diluted EPS (Rs.)	**3.03**	**1.81**

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BANGALORE-25

Strides Shasun

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

STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2016

Notes:

1 The above statement of consolidated unaudited financial results of the Company has been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 17, 2016. The statutory auditors of the Company have carried out the limited review of the results for quarter ended June 30, 2016

2 These financial results have been prepared in accordance with India Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and in terms of the Listing Regulation, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. The Company has opted to avail the relaxation provided by Securities and Exchange Board of India ('SEBI') in respect of disclosure requirements for corresponding figures for the earlier periods. The results for the quarter ended June 30, 2015 have been recasted to be Ind AS compliant and have not been subjected to limited review.

3 During the previous year, pursuant to the court approved Scheme of Amalgamation, Shasun Pharmaceuticals Limited (the 'Shasun') has been amalgamated with the Company w.e.f. the appointed date of April 01, 2015 and the effective date of merger was November 19, 2015. Hence, the results for the quarter ended June 30, 2015 have been recast to reflect the merger of Shasun with the Company.

Ind AS 103 'Business Combination' is not applicable to the above referred merger in view of the scheme scantioned by the Hon'ble High courts of Judicature under section 391 to 394 of the Companies Act, 1956.

The Company has followed the 'Pooling of Interest method' as per the court approved Scheme of Amalgamation for the accounting of Assets and Liabilities of erstwhile Shasun. The impact of aligning the accounting policies between the two entities on the assets and liabilities taken over on merger amounting to Rs. 1,682 lakhs has been expensed off in the results for the quarter ended June 30, 2015 under exceptional items.

The Company has issued 21,017,329 equity shares of Rs. 10/- each to the shareholders of erstwhile Shasun in terms of the Scheme of Amalgamation. These shares have been considered for the purpose of calculation of earnings per share

4 Reconciliation of Net Profit for the quarter ended June 30, 2015 as reported earlier in accordance with previous Indian GAAP and now being reported in accordance with Ind AS, as stated in note 2 above is as follows:

Rs. in Lakhs

Particulars	3 Months ended 30.06.2015
	UNAUDITED
Net profit as reported under previous GAAP	4,803
Add: Net profit of erstwhile Shasun Parmaceuticals Limited as per previous GAAP (Refer note 3 above)	699
Less: Merger adjustments for aligning the accounting policies difference as mentioned in note 3 above and elimination of stock margin	(1,961)
Adjusted Net profit as per Previous GAAP	**3,541**
Add / (Less): Adjustments for GAAP differences :	
Impact of measuring ESOP at fair value	(72)
Impact of measuring financial Instruments at fair value through profit or loss	(3,137)
Tax impact on Ind AS adjustments	1,086
Other Ind AS adjustments	33
Net profit for the quarter as per Ind AS	**1,451**

DELOITTE HASKINS & SELLS
CHARTERED ACCOUNTANTS
BANGALORE-25

STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2016

5 During the current quarter, 20,000 equity shares were allotted by the Company under the Strides Arcolab ESOP 2011 Scheme on exercising equal number of options.

6 The Company had entered into a definitive agreement in February 2016, to acquire a strategic stake in Generic Partners Holdings Co. Pty Ltd. (the "Generic Partners"), an Australian pharmaceutical supply and research company. Subsequent to the June 30, 2016, Strides Pharma Global Pte Limited, a wholly owned subsidiary of the Company has completed the acquisition of Generic Partners.

7 In the current quarter, Strides Pharma (Cyprus) Limited, a wholly owned subsidiary of the Company completed the acquisition of a controlling stake in Universal Corporation Limited (Universal), Kenya.

8 Strides Pharma Inc. USA, a wholly owned subsidiary of the Company completed during the current quarter, the acquisition of Jointflex, Fergon and Vanquish brands from Moberg Pharma, Sweden and its affiliates.

9 On December 4, 2013, the Company and its wholly owned subsidiary, Strides Pharma Asia Pte Limited ("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 Investments 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 include a US$ 100 million tax escrow deposit (out of which US$ 8.00 million has been settled in earlier year to be paid to Mylan in relation to certain claims) and a US$ 100 million regulatory escrow deposit. 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. During the quarter ended December 31, 2015, the Company received a consolidated notification of claims from Mylan under the terms of the SPAs.

These include third party claims, tax claims, claims against the regulatory escrows and general claims. A significant portion of these are estimates of potential claims / losses that Mylan expects to incur and involve significant uncertainties. The Company has formally responded to Mylan disputing the claims and also sought further details / clarifications on each of the items mentioned in the notifications of claims. Given the nature of the claims involved and the extent of information made available by Mylan so far, the Company is not able to make a reliable estimate of its obligations, if any, with regard to these claims. Considering the terms of the SPAs and the amounts in the respective escrows, the Company believes that any further outflow of resources is not probable.

10 Exchange fluctuation gain/loss (net) included under Exceptional Items comprises the exchange gain / loss arising on account of restatement and settlement of long term foreign currency loans and intra-group loans.

For and on behalf of the Board

Arun Kumar
Executive Vice Chairman & Managing Director

Bengaluru, August 17, 2016

DELOITTE HASKINS & SELLS * BANGALORE-25 * CHARTERED ACCOUNTANTS

Deloitte Haskins & Sells

Chartered Accountants
Deloitte Centre
Anchorage II
100/2 Richmond Road
Bengaluru - 560 025
India

Tel: +91 (080) 6627 6000
Fax: +91 (080) 6627 6013

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF STRIDES SHASUN LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **STRIDES SHASUN LIMITED** ("the Company") for the Quarter ended June 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. **Emphasis of Matter**

   We draw attention to Note 9 to the Statement regarding the notification of claims received from Mylan under the terms of the Share Purchase Agreements (SPAs) for sale of the investments in entities in the Specialties products business in an earlier year, which the Company has disputed. As stated in the Note, the Company has provided a guarantee in favour of Mylan and certain amounts have been set aside in escrows under the terms of the SPAs. As explained in the Note, given the nature of the claims included in the notification and the information provided by Mylan so far, the Company has not been able to make a reliable estimate of obligations, if any, on these claims and has made the disclosures under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" in this regard. Our opinion on the Statement is not qualified in respect of this matter.

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Deloitte
Haskins & Sells

5. We have not reviewed the financial results and other financial information for the Quarter ended June 30, 2015 which have been presented solely based on the financial information compiled by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)

V. Srikumar
Partner
(Membership No. 84494)

BENGALURU, August 17, 2016