

August 11, 2017

**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 – Unaudited Financial Results (Standalone & Consolidated) for the quarter ended June 30, 2017

We are pleased to enclose the Unaudited Financial Results (Standalone and Consolidated) of the Company along with Limited Review Report of the Statutory Auditors for the quarter ended June 30, 2017, as approved by the Board of Directors of the Company at their meeting held today, along with a press release issued in this regard.

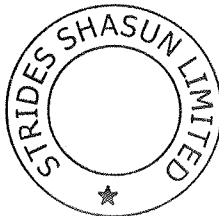
The board meeting commenced at 11:45 hrs and concluded at 12:30 hrs.

This is for your information and record.

Thanks & Regards,
For Strides Shasun Limited



**Manjula Ramamurthy
Company Secretary**



Press Release

Strides Shasun announces Q1 FY18 results Q1 FY18 Revenues at INR 8,358 Mn, EBITDA at INR 1,010 Mn

Bengaluru, August 11, 2017: Strides Shasun Limited (BSE: 532531, NSE: STAR) today announced its Q1 FY18 results

Consolidated Financial & Performance Highlights

INR Mn

	Q1 FY17	Q1 FY18	YoY
Revenues	7,602	8,358	10%
EBITDA	1,400	1,010	-28%
EBITDA %	18%	12%	
Adj PAT*		60	

*Excluding Merger & restructuring costs of INR 27 Mn and loss on biotech investment INR 27 Mn

- The results have been prepared as per Indian Accounting Standards (Ind-AS)
- Total revenues for Q1 FY 18 at INR 8,358 Mn against INR 7,602 Mn in Q1 FY17
- EBITDA at INR 1,010 Mn against INR 1,400 Mn in Q1 FY17, EBITDA margins at 12 %
- R&D spend for the quarter at INR 373 Mn against INR 228 Mn in Q1 FY 17, up 64 % YoY

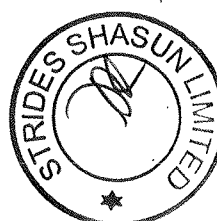
Shashank Sinha, Managing Director, remarked “While we are disappointed with our overall results we strongly believe that the fundamentals are in place at Strides for building a differentiated business with diversification of markets and product domains. We are lagging approvals of certain key products which would have lifted our margins and revenues significantly. We believe that our filing momentum of niche products with higher market opportunities and near term approvals of much delayed products would significantly improve our revenue and margin growth.”

Performance Highlights – Q1 FY18

Revenue Composition by Business

INR Mn

	Q1 FY17	Q1 FY18	YoY
Regulated Markets	3,706	4,147	12%
Emerging Markets	2,526	2,697	7%
Total Formulations	6,232	6,843	10%
API	1,369	1,514	11%
Total Revenues	7,602	8,358	10%



Regulated Markets Business

- Revenue at INR 4,147 Mn in Q1 FY18 (50 % of total) up 12 % compared to INR 3,706 Mn in Q1 FY17. However QoQ growth was severely impacted by under performance in the North American operations further aggravated by delay of anticipated key product approvals.

North America

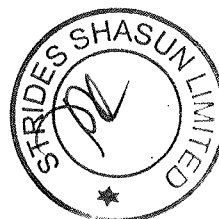
- While our North American front ended operations continued to grow steadily with key products holding or growing their market share (Ranitidine - 21%, +300bps QoQ, Dutasteride - 26%, +1300bps QoQ, Ergocalciferol - 45%, Benzonatate - 19%, Lamivudine Zidovudine - 19%, Methoxsalen - 30%). Margins were impacted by industry-wide price erosion, although it's impact on our niche portfolio was moderate (mid single digit).
- Legacy partnered products which currently constitutes bulk of our North American sales faced intense competition with new product approvals and industry pricing pressures, as a consequence resulted in significant reduction in our profit share.
- While new product momentum has picked up, with 6 approvals received so far in this fiscal - Cetirizine Softgel Capsules (US\$ 60 Mn market), Promethazine Hydrochloride Tablets (US\$ 17 Mn market), Amantadine Hydrochloride Tablets (US\$ 22 Mn market), Amantadine Hydrochloride Capsules (US\$ 25 Mn market), Ibuprofen Tablets (US\$ 520 Mn market) and Memantine Hydrochloride Tablets (US\$ 60 Mn market). These products will start delivering marginal revenues going forward but momentum is only expected with anticipated key product approvals in the course of this quarter.

Australia

- In Australia we had a steady quarter albeit with a slight reduction on QoQ sales mainly impacted by stocking behaviour prior to recently announced PBS impacts. We continued to expand our portfolio by launching 3 new products during Q1 FY18 and increasing our distribution footprint and have achieved our first milestone of covering 1000 stores where Arrow has emerged as a frontline supplier of generics and its chemist own OTC products. We believe in the near term as we expand our store coverage, accelerate manufacturing out of our Indian Operations and launch new products, our quest to become the leader by volume and margins in the market place is firmly on track.

Emerging Markets Business

- As reported in our February release we have combined our Institutional business with the Emerging Markets. Revenues at INR 2,697 Mn in Q1 FY18 (32 % of total) up 7 % compared to INR 2,526 Mn in Q1 FY17
- Africa Brands business had a strong growth this quarter, as key brands continued to gain strength and primary sales (selling-in) was on track with secondary sales (selling-out). Good business hygiene, favorable product mix and improved sales force productivity have helped in margin expansion. Key brands in Africa continue to improve their market share – Renerve (32% , +250 bps), Combiart (6.9%, + 250 bps) , Solcer (7.8%, +130 bps)



- India Brands business was significantly impacted by channel destocking ahead of the implementation of GST. Retail trade cut inventory down to half prior to the 1st July, 2017 GST launch date, which impacted quarter-end sales heavily. While business is expected to return to normal in the coming months, we have pro-actively taken initiatives to improve salesforce productivity and improve operating leverage in the business.
- The Institutional business rebounded in this quarter driven by the Anti – Retroviral (ARV) portfolio. Our share of the Anti - Malarial business was steady albeit on a lower base due to reduced funding from the donor agency funded programs.
- Institutional business margins during the quarter were impacted by the adverse product mix of lower contribution from Anti – Malarial products. The Anti - Malarial business is expected to grow in the coming quarters.
- The Kenyan facility (UCL) successfully completed a WHO regulatory inspection during the quarter and continues to enjoy WHO approved status; being among the few such facilities in Africa. The program to add new products to the portfolio continued, which will drive growth further in the East African market.
- There is continued focus on portfolio expansion for Anti – Retroviral and Anti – Malarial with new product introduction for adult and paediatric use in line with the evolving treatment regimen. Transfer of current institutional products to our Kenyan WHO approved facility (UCL) is on track and supplies are expected to commence from H2 FY 18.

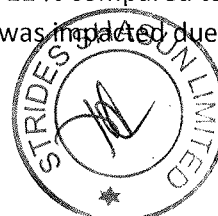
R&D – Strong filing and approval momentum

- We stepped up our R&D investment during the quarter by 64% YOY to INR 373 Mn against INR 228 Mn in Q1 FY 17.
- Our new product filing momentum has picked up pace with 5 filings in FY18. We're on track to file 15-20 products this fiscal, which includes complex molecules, in soft gelatin, topical and extended release platforms.
- As of now we have 67 cumulative ANDA filings (Non-PEPFAR) with USFDA.
- We have received 6 new product approval so far in FY 18 and currently have 29 ANDA filings pending approval from USFDA. Cumulative market value of the portfolio pending approval is US\$ 9.6 Bn across a variety of dosage formats.

Dosage Formats	ANDA Pending Approval
Topicals	7
Modified Release tablets /Capsules	3
Soft Gelatin Capsules	2
Hard Gelatin Capsules	5
Tablets	11
Others	1

Active Pharmaceutical Ingredients (API)

- Revenues at INR 1,514 Mn in Q1 FY18, (18 % of total) were up 11 % compared to INR 1,369 Mn in Q1 FY17. Our expected margin improvement in this business was impacted due to the delay of a



key product launch of Sevelamer for our partners. We expect our partners to have approvals in the near term and for the API division to drive stronger growth.

Corporate Update

Demerger of commodity API business

- We have received key approvals from the Competition Commission of India, stock exchanges and SEBI for previously announced demerger of the API business.
- Next step involves seeking clearance from National Company Law Tribunal and taking shareholder and creditor approval.
- The appointed date for the demerger is 1st October 2017 as previously announced.

Joint Venture with Vivimed

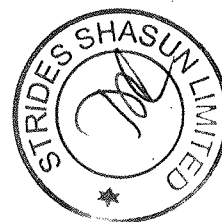
- In Q4 FY 17, we announced a definitive agreement with Vivimed Labs Limited to enter into a 50:50 Joint Ventures for its US FDA approved formulations facility at Alathur, Chennai.
- The transaction has achieved closure.
- The Joint venture helps de-risk the manufacturing footprint with additional capacity of 1.5 billion tablets/capsules per annum in a mirrored facility and also provides access to a strong product pipeline currently under development.

Successful completion of USFDA inspection at multiple sites

- In Q1 FY 18, four facilities including API and formulations were inspected by the USFDA.
- Three out of the four inspections were completed with Zero 483 status.
- The Bangalore facility was issued a form 483 with 3 observations. The observations have been addressed comprehensively and we have since received 2 product approvals from the facility.

Credit rating

- India Ratings and Research, a Fitch Group company has affirmed Strides Shasun Limited's Long Term issuer rating at '**IND A**' with a '**Stable**' outlook.
- ICRA has reaffirmed the long-term rating of '**ICRA A+**' on term loans of Strides Shasun Limited. ICRA has also reaffirmed the short-term rating of '**ICRA A1+**' on short-term fund and non-fund based facilities.



Annexure:

EBITDA Computation:

	Q1 FY18
SEBI Results	Column 1
Profit/(loss) before exceptional items and tax as per SEBI reporting	82
Less: Interest, Dividend income, Gain on sale of securities	(224)
Add : Depreciation and Amortization and Finance costs	1,152
Consolidated EBITDA as per press release	1,010

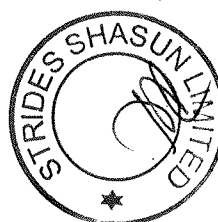
About Strides Shasun

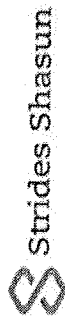
Strides Shasun, listed on the Bombay Stock Exchange Limited (532531) and National Stock Exchange of India Limited (STAR), is a vertically integrated global pharmaceutical Company headquartered in Bangalore. The Company has four business verticals, viz., Regulated Markets, Emerging Markets, Institutional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

The Company has global manufacturing foot print with 9 manufacturing facilities spread across three continents including 7 US FDA approved facilities and 2 facilities for the emerging markets. The Company has two 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:

<u>Strides</u> Badree Komandur, Executive Director +91 80 6784 0747 <u>Investors:</u> Kannan. N: +91 98450 54745 Vikesh Kumar: +91 80 6784 0827 Sandeep Baid : +91 80 6784 0791	<u>PR Consultancy</u> Fortuna PR K Srinivas Reddy: +91 9000527213 srinivas@fortunapr.in K Priya: +91 9535425418 priya@fortunapr.in
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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, 2017

Sl. No.	Particulars	Rs. in Lakhs			
		3 Months ended 30.06.2017	Preceding 3 months ended 31.03.2017	Corresponding 3 Months ended 30.06.2016 in the previous year	Previous year ended 31.03.2017
		UNAUDITED	AUDITED (Refer Note 2)	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)
Continuing Operations					
I	Revenue from operations	53,709	52,280	50,498	210,980
II	Other Income	4,412	5,733	3,544	17,614
III	Total Revenue (I + II)	58,121	58,013	54,042	228,594
Expenses					
(a)	Cost of material consumed	27,488	14,249	23,983	85,568
(b)	Purchases of stock-in-trade	2,167	5,917	2,382	13,498
(c)	Changes in inventories of finished goods, stock-in-trade and work-in-progress	624	3,340	(1,535)	(115)
(d)	Employee benefits expense	9,758	10,207	8,343	39,731
(e)	Finance costs	3,691	2,922	2,870	11,474
(f)	Depreciation and amortisation expense	3,362	3,414	2,892	12,663
(g)	Other expenses	12,115	10,169	10,373	44,116
	Total Expenses (IV)	59,205	50,218	49,308	206,935
V	Profit/(loss) before exceptional items and tax (III - IV)	(1,084)	7,795	4,734	21,659
Exceptional items:					
VI	- Exchange Fluctuation (loss) / gain (Net) (Refer note 8)	234	2,606	(1,466)	118
	- Dividend Income from Subsidiaries	2,038			
	- Gain/ (loss) on sale of long term investment	-	(41)		76
	- Write-off/provision for impairment of assets (net)	-	(187)		(6,488)
	- Business combination and restructure costs	(122)	(306)	(145)	(897)
	- Fair valuation of derivative instruments	(227)	(662)		(662)
	- Others	-	-		7
	Total Exceptional items (VI)	1,923	1,410	(1,611)	(7,846)
VII	Profit/(loss) before tax (V + VI)	839	9,205	3,123	13,813
VIII	Tax expense				
	- Current tax	17	46	107	1,184
	- Deferred tax	(73)	524	170	353
	Total tax expense (VIII)	(56)	570	277	1,537
IX	Profit/(loss) after tax from continuing operations (VII - VIII)	895	8,635	2,846	12,276
X	Discontinued Operations				
	- Profit/(loss) from discontinued operations before tax	-	(1,120)	(128)	(1,423)
	- Tax expense of discontinued operations	-	-		-
XI	Profit/(loss) after tax from discontinued operations	-	(1,120)	(128)	(1,423)
XII	Profit/(loss) for the period (IX + XI)	895	7,515	2,718	10,853

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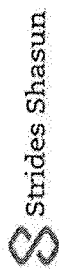


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STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2017

Sl. No.	Particulars	3 Months ended 30.06.2017	Preceding 3 months ended 31.03.2017	Corresponding 3 Months ended 30.06.2016 in the previous year	Previous year ended 31.03.2017
		UNAUDITED	AUDITED (Refer Note 2)	UNAUDITED	AUDITED
		(1)	(2)	(3)	(5)
XIII	Other comprehensive income				
A	(i) Items that will not be recycled to profit or loss	-	122	(71)	(1,440)
B	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(43)	25	498
	(i) Items that may be recycled to profit or loss	(320)	2,315	(493)	2,002
	(ii) Income tax relating to items that may be reclassified to profit or loss	111	(801)	170	(693)
	Total other comprehensive income for the period (XIII)	(209)	1,593	(369)	367
			\$		
XIV	Total comprehensive income for the period (XII + XIII)	686	9,108	2,349	11,220
	Earnings per share (face value of Rs. 10/- each) (for continuing operation)				
	(a) Basic (Rs.)	1.00	9.66	3.18	13.74
	(b) Diluted (Rs.)	1.00	9.64	3.18	13.71
	Earnings per share (face value of Rs. 10/- each) (for discontinuing operation)				
	(a) Basic (Rs.)	-	(1.25)	(0.14)	(1.59)
	(b) Diluted (Rs.)	-	(1.25)	(0.14)	(1.59)
	Earnings per share (face value of Rs. 10/- each) (for discontinuing & continuing operations)				
	(a) Basic (Rs.)	1.00	8.41	3.04	12.14
	(b) Diluted (Rs.)	1.00	8.39	3.03	12.12
	See accompanying notes to the Financial Results				

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STATEMENT OF STANDALONE UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2017

Notes:

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 11, 2017. The statutory auditors have carried out limited review of the above results for the quarter ended June 30, 2017.
- 2 The results for the quarter ended March 31, 2017 represent the balancing figure between audited figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the previous financial year ended March 31, 2017.
- 3 During the quarter ended 30 June 2017, Strides Lifesciences Limited, Nigeria and Arrow Life Sciences (Malaysia) Sdn Bhd, Malaysia, were incorporated as wholly owned subsidiaries of the Company's subsidiaries.
- 4 The Company had entered into definitive agreement with Perrigo Group for acquisition of Perrigo API India Private Limited in the previous quarter. On 6 April 2017, the Company has completed the acquisition of 100% stake in Perrigo API India Private Limited. Subsequently, Perrigo API (India) Private Limited has been renamed to Strides Chemicals Private Limited.
- Strides Pharma Global Pte Limited, Singapore, a subsidiary of the Group, entered into an agreement with Vivimed Labs Limited, India to invest in Vivimed Global Generics Pte Limited, Singapore. Pursuant to the investment by Strides Pharma Global Pte Limited, Singapore on 18 May 2017, Vivimed Global Generics Pte Limited, Singapore became a subsidiary of the Group.
- Further, the Company also entered into a joint venture agreement with Vivimed Labs Limited, India pursuant to which the Company made investment in Vivimed Life Sciences Private Limited, India on 18 May 2017.
- 5 On March 20, 2017, the Board of Directors of the Company approved a Composite Scheme of Arrangement to be entered into between the Company, Sequent Scientific Limited (Sequent), and Solara Active Pharma Sciences Limited, India (Solara) and their respective shareholders and creditors (the scheme) under sections 230-232 of the Companies Act, 2013 for demerger of the Company's Commodity API business and Human API Business of Sequent into Solara with effect from the appointed date of 1 October 2017. The scheme is subject to approval by shareholders and other regulatory authorities.
- 6 On December 4, 2013, the Company and its wholly owned subsidiary, Strides Pharma Asia Pte Limited ("the Singapore Subsidiary"), completed the sale of investments in Agila Specialties Private Limited and Agila Specialties Global Pte Limited (together, "Agila") to Mylan Laboratories Limited and Mylan Institutional Inc. (together, "Mylan") pursuant to separate agreements, each dated as of February 27, 2013 (the "SPAs"). Pursuant to the SPAs, the Strides Group established escrow arrangements to fund certain potential indemnification liabilities, including specified employee, tax and regulatory remediation costs from such consideration. These escrow arrangements included a US\$ 100 million "General Claims Escrow" account and a US\$ 100 million "Regulatory Escrow" account. Pursuant to the SPAs, the Company has also provided a corporate guarantee to Mylan for US\$ 200 million (valid up to December 4, 2020) on behalf of Singapore Subsidiary which can be used for discharging financial obligations, if any, of the Singapore Subsidiary to Mylan.
- Under the terms of the SPAs, claims against the Company / the Singapore subsidiary (as the case may be) can only be made under specific provisions contained in the SPAs which include the procedures and timelines for submission of notifications of claims and actual claims and commencing arbitration proceedings. The Company had received a consolidated notification of claims from Mylan under the terms of the SPAs. These claims were related to third party claims, tax claims, claims against the regulatory escrows and general claims. In the previous years, a significant portion of these claims were settled out of the Regulatory Escrow deposit. Further, the Company and Mylan also agreed on full and final settlement of warranty and indemnity claims to be adjusted against the 'General Claims Escrow'.
- Considering the terms of the SPAs, the nature of the pending claims that are in arbitration currently and the balance available in the General Claims Escrow account, the Company believes that any further outflow of resources is not probable.
- 7 During the quarter ended 30 June 2017, 50,000 equity shares were allotted by the Company under the Strides Acolab ESOP 2011 Scheme, on exercising equal number of options.
- 8 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
- 9 Minimum Alternate Tax credits availment/ utilisation are considered under deferred tax.

For and on behalf of the Board

Shashank Sinha,
Managing Director

Bengaluru, August 11, 2017

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF STANDALONE 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, 2017 ("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.

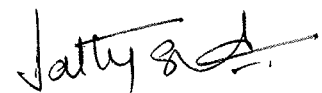
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and 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.

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4. Emphasis of Matter

We draw attention to Note 6 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 had 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 further explained in the aforesaid Note, given the nature of the pending claims against the Company and considering the amount held in escrow account, the Company believes that any further outflow of resources is not probable and has made the disclosures under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" in this regard. Our report on the Statement is not modified in respect of this matter.

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



Sathya P. Koushik
Partner
(Membership No. 206920)

BENGALURU, August 11, 2017

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2017**

Sl. No.	Particulars	Rs. in Lakhs			
		3 Months ended 30.06.2017	Preceding 3 months ended 31.03.2017	Corresponding 3 Months ended 30.06.2016 in the previous year	Previous year ended 31.03.2017
		UNAUDITED	AUDITED Refer note 2	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)
I	Continuing Operations				
I	Revenue from operations	84,177	88,841	78,952	348,342
II	Other Income	3,607	7,305	2,078	16,858
III	Total Revenue (I + II)	87,784	96,146	81,030	365,200
IV	Expenses				
	(a) Cost of material consumed	28,931	25,869	24,710	103,114
	(b) Purchases of stock-in-trade	11,655	13,468	16,562	66,010
	(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	1,346	(902)	(3,978)	(15,504)
	(d) Employee benefit expenses	14,646	15,241	12,822	58,812
	(e) Finance costs	6,403	5,919	5,594	22,693
	(f) Depreciation and amortisation expense	5,114	5,289	4,235	18,715
	(g) Other expenses	18,868	19,473	15,611	71,628
	Total Expenses (IV)	86,963	84,357	75,556	325,468
V	Profit/(loss) before exceptional items and tax (III - IV)	821	11,789	5,474	39,732
VI	Exceptional Items:				
	- Exchange Fluctuation (loss) / gain (Net) (Refer note 10)	435	2,897	(472)	1,105
	- Impairment of Goodwill	-	(794)	-	(794)
	- Write down of inventories and other assets	-	-	-	(6,301)
	- Business combination and restructuring expenses	(271)	(699)	(459)	(2,343)
	- Recovery / (write off) of loans & advances given in earlier years (net)	-	(516)	487	(29)
	- Unwinding of discount on gross obligations over written put options to NCI	-	(426)	(167)	(1,188)
	- Fair valuation of derivative instruments	(435)	(632)	-	(632)
	- Others	-	-	-	124
	Total Exceptional items (VI)	(271)	(170)	(611)	(10,058)
VII	Profit/(loss) before tax (V + VI)	550	11,619	4,863	29,674
VIII	Share of profit / (loss) of joint ventures and associates	(306)	69	(10)	36
IX	Profit/(loss) before tax (VII + VIII)	244	11,688	4,853	29,710
X	Tax expense				
	- Current tax	206	2,347	1,330	4,780
	- Deferred tax	(540)	(601)	(450)	(81)
	Total tax expense (X)	(334)	1,746	880	4,699
XI	Profit/(loss) after tax from continuing operations (IX - X)	578	9,942	3,973	25,011
XII	Discontinued Operations				
	- Profit/(loss) from discontinued operations before tax	-	3,364	(684)	20,004
	- Tax expense of discontinued operations	-	116	42	419
XIII	Profit/(loss) after tax from discontinued operations	-	3,248	(726)	19,585
XIV	Profit/(loss) for the period (XI + XIII)	578	13,190	3,247	44,596

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2017

Sl. No.	Particulars	Rs. in Lakhs			
		3 Months ended 30.06.2017	Preceding 3 months ended 31.03.2017	Corresponding 3 Months ended 30.06.2016 in the previous year	Previous year ended 31.03.2017
		UNAUDITED	AUDITED Refer note 2	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)
XV	Other comprehensive income				
A	(i) Items that will not be recycled to profit or loss	(1,895)	(134)	(4,237)	(2,593)
B	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(43)	25	498
	(i) Items that may be recycled to profit or loss	2,693	6,318	385	(1,641)
	(ii) Income tax relating to items that may be reclassified to profit or loss	111	(801)	170	(693)
	Total other comprehensive income for the period (XV)	909	5,340	(3,657)	(4,429)
XVI	Total comprehensive income for the period (XIV + XV)	1,487	18,530	(410)	40,167
	Profit for the period attributable to:				
	- Owners of the Company	56	11,232	2,604	39,976
	- Non-controlling interests	522	1,958	643	4,620
		578	13,190	3,247	44,596
	Other comprehensive income for the period				
	- Owners of the Company	909	5,348	(3,657)	(4,421)
	- Non-controlling interests	-	(8)	-	(8)
		909	5,340	(3,657)	(4,429)
	Total comprehensive income for the period				
	- Owners of the Company	965	16,580	(1,053)	35,555
	- Non-controlling interests	522	1,950	643	4,612
		1,487	18,530	(410)	40,167
	Earnings per equity share (for continuing operations):				
	(1) Basic (in Rs.)	0.06	8.93	3.73	22.83
	(2) Diluted (in Rs.)	0.06	8.92	3.72	22.77
	Earnings per equity share (for discontinued operations):				
	(1) Basic (in Rs.)	-	3.64	(0.82)	21.91
	(2) Diluted (in Rs.)	-	3.62	(0.81)	21.87
	Earnings per equity share (for total operations):				
	(1) Basic (in Rs.)	0.06	12.57	2.91	44.73
	(2) Diluted (in Rs.)	0.06	12.54	2.91	44.64
	See accompanying notes to the Financial Results				

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Strides Shasun

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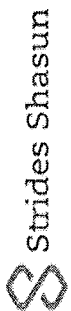
STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER ENDED JUNE 30, 2017

Notes:

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 11, 2017. The statutory auditors have carried out limited review of the above results for the quarter ended June 30, 2017.
- 2 The results for the quarter ended March 31, 2017 represent the balancing figure between audited figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the previous financial year ended March 31, 2017.
- 3 During the current quarter, Strides Lifesciences Limited, Nigeria and Arrow Life Sciences (Malaysia) Sdn Bhd, Malaysia, were incorporated as wholly owned subsidiaries of the Group.
- 4 The Company had entered into definitive agreement with Perrigo Group for acquisition of Perrigo API India Private Limited in the previous quarter. On April 6, 2017, the Company has completed the acquisition of 100% stake in Perrigo API India Private Limited. Subsequently, Perrigo API (India) Private Limited has been renamed to Strides Chemicals Private Limited.
- 5 Strides Pharma Global Pte Limited, Singapore, a subsidiary of the Group, entered into an agreement with Vivimed Labs Limited, India to invest in Vivimed Global Generics Pte Limited, Singapore. Pursuant to the investment by Strides Pharma Global Pte Limited, Singapore on May 18, 2017, Vivimed Global Generics Pte Limited, Singapore became a subsidiary of the Group.
Further, the Company also entered into a joint venture agreement with Vivimed Labs Limited, India investment in Vivimed Life Sciences Private Limited, India. Accordingly, the Company's investment in Vivimed Life Sciences Private Limited, India on May 18, 2017, is accounted under equity method in these consolidated results.
- 6 On March 20, 2017, the Board of Directors of the Company approved a Composite Scheme of Arrangement to be entered into between the Company, Sequent Scientific Limited (Sequent), and Solara Active Pharma Sciences Limited, India (Solara) and their respective shareholders' and creditors (the scheme) under sections 230-232 of the Companies Act, 2013 for demerger of the Company's Commodity API business and Human API Business of Sequent into Solara with effect from the appointed date of 1 October 2017. The scheme is subject to approval by shareholders and other regulatory authorities.
- 7 On December 4, 2013, the Company and its wholly owned subsidiary, Strides Pharma Asia Pte Limited ("the Singapore Subsidiary"), completed the sale of investments in Agila Specialties Private Limited and Agila Specialties Global Pte Limited (together, "Agila") to Mylan Laboratories Limited and Mylan Institutional Inc. (together, "Mylan") pursuant to separate agreements, each dated as of February 27, 2013 (the "SPAs"). Pursuant to the SPAs, the Strides Group established escrow arrangements to fund certain potential indemnification liabilities, including specified employee, tax and regulatory remediation costs from such consideration. These escrow arrangements included a US\$ 100 million 'General Claims Escrow' account and a US\$ 100 million 'Regulatory Escrow' account. Pursuant to the SPAs, the Company has also provided a corporate guarantee to Mylan for US\$ 200 million (valid up to December 4, 2020) on behalf of Singapore Subsidiary which can be used for discharging financial obligations, if any, of the Singapore Subsidiary to Mylan.
Under the terms of the SPAs, claims against the Company / the Singapore subsidiary (as the case may be) can only be made under specific provisions contained in the SPAs which include the procedures and timelines for submission of notifications of claims and actual claims and commencing arbitration proceedings. The Company had received a consolidated notification of claims from Mylan under the terms of the SPAs. These claims were related to third party claims, tax claims, claims against the regulatory escrows and general claims. In the previous years, a significant portion of these claims were settled out of the Regulatory Escrow deposit. Further, the Company and Mylan also agreed on full and final settlement of warranty and indemnity claims to be adjusted against the 'General Claims Escrow'.
Considering the terms of the SPAs, the nature of the pending claims that are in arbitration currently and the balance available in the General Claims Escrow account, the Company believes that any further outflow of resources is not probable.
- 8 Minimum Alternate Tax credits availment/utilisation are considered under deferred tax.
- 9 During the quarter ended 30 June 2017, 50,000 equity shares were allotted by the Company under the Strides Arcolab ESOP 2011 Scheme, on exercising equal number of options.
- 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.
- 11 In the previous year, the Group had two business segments viz., "Pharmaceutical business" and "Biotech business". With effect from 31 March 2017, pursuant to loss of control over Stelis Biopharma Private Limited, India ('Stelis', the only entity of the Group that was engaged in Biotech business) Stelis ceased to be subsidiary of the Group but became an associate of the Group. The Group's operations for the current quarter relate only to the "Pharmaceutical business".

32



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STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER ENDED JUNE 30, 2017

12 Information on Standalone Results :-

Particulars	Rs. in Lakhs			
	3 Months ended 30.06.2017	Preceding 3 months ended 31.03.2017	Corresponding 3 Months ended 30.06.2016 in the previous year	Previous year ended 31.03.2017
	UNAUDITED	AUDITED Refer note 2	UNAUDITED	AUDITED
Total Revenue	53,709	52,280	50,498	210,980
Profit before Tax from continuing operations	839	9,205	3,123	13,813
Profit after Tax from continuing operations	895	8,635	2,846	12,277

For and on behalf of the Board

Shashank Sinha
Managing Director

Bengaluru, August 11, 2017

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF CONSOLIDATED 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 Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of loss of its joint ventures and associates for the quarter ended June 30, 2017 ("the Statement"), being submitted by the Parent 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 Parent'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 Parent's 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:

Sr No.	Name of the entities
1	Strides Shasun Limited
2	Alliance Pharmacy Pty Limited
3	Altima Innovations Inc.
4	Arrow Pharma Pte Limited
5	Arrow Pharma (Private) Limited
6	Arrow Pharma Life Inc.
7	Arrow Pharma Pty Limited
8	Arrow Pharmaceuticals Pty Limited
9	Arrow Remedies Private Limited
10	Beltapharm S.p.A
11	Chemsynth Laboratories Private Limited
12	Fagris Medica Private Limited

13	Generic Partners Holding Co. Pty Limited
14	Generic Partners Pty Limited
15	Generic Partners (International) Pte Limited
16	Generic Partners (Canada) Inc
17	Generic Partners (M) SDN BHD
18	Generic Partners (NZ) Limited
19	Generic Partners (South Africa) Pty Limited
20	Generic Partners UK Limited
21	Pharmacy Alliance Group Holdings Pty Limited
22	Pharmacy Alliance Investments Pty Limited
23	Pharmacy Alliance Pty Limited
24	Shasun Pharma Solutions Inc.
25	Shasun USA Inc.
26	Smarterpharm Pty Limited
27	Solara Active Pharma Sciences Limited
28	Stabilis Pharma Inc.
29	Stelis Biopharma (Malaysia) SDN. BHD
30	Strides Africa Limited
31	Strides Arcolab (Australia) Pty Limited
32	Strides Arcolab International Limited
33	Strides CIS Limited
34	Strides Consumer Private Limited
35	Strides Emerging Markets Private Limited
36	Strides Healthcare Private Limited
37	Strides Pharma (Cyprus) Limited
38	Strides Pharma (SA) Pty Limited
39	Strides Pharma Global (UK) Limited (formerly Strides Pharma (UK) Limited)
40	Strides Pharma Asia Pte. Limited
41	Strides Pharma Global Pte Limited
42	Strides Pharma Inc.
43	Strides Pharma International Limited
44	Strides Pharma Limited
45	Strides Pharma (UK) Limited (formerly Strides Shasun (UK) Limited)
46	Strides Specialties (Holdings) Limited
47	SVADS Holdings SA
48	Universal Corporation Limited
49	Arrow Life Sciences (Malaysia) Sdn. Bhd.
50	Strides Lifesciences Limited
51	Strides Chemicals Private Limited (formerly Perrigo API (India) Private Limited)
52	Vivimed Global Generics Pte Limited, Singapore
53	Shasun Foundation Trust
54	Strides Foundation Trust
55	Stelis Biopharma Private Limited
56	Aponia Laboratories Inc
57	Vivimed Life Sciences Private Limited

58	Strides Shasun Latina Sa de CV
59	Shasun NBI LLC
60	Akorn Strides LLC
61	Oraderm Pharmaceuticals Pty Ltd.

4. We did not review the interim financial results of 17 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 34,499 Lakhs, total profit after tax of Rs. 685 Lakhs and total comprehensive income of Rs. 685 Lakhs for the quarter ended June 30, 2017, as considered in the consolidated unaudited financial results. These interim financial results 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, is based solely on the reports of the other auditors. Our report on the Statement is not modified in respect of these matters.
5. The consolidated unaudited financial results includes the interim financial information of 36 subsidiaries which have not been reviewed / audited by their auditors, whose interim financial information reflect total revenue of Rs. 9,822 Lakhs, total profit after tax of Rs. 2,092 Lakhs and total comprehensive income of Rs. 2,092 Lakhs for the quarter ended June 30, 2017 as considered in the consolidated unaudited financial results.

The consolidated unaudited financial results also includes the Group's share of loss after tax of Rs. 30 Lakhs and total comprehensive loss of Rs. 30 Lakhs for the quarter ended June 30, 2017, as considered in the consolidated unaudited financial results, in respect of 4 joint ventures and 2 associates, based on their interim financial information which have not been reviewed / audited by their auditors.

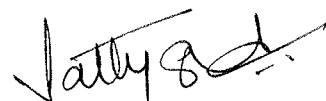
6. Based on our review conducted as stated above and based on the consideration of the reports of the other auditors referred to in paragraph 4 above and except for the possible effects of the matters described in paragraphs 5, nothing has come to our attention that causes us to believe that the accompanying Statement, has not been prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India and 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.

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7. Emphasis of Matter

We draw attention to Note 7 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 Group had disputed. As stated in the Note 7, 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 further explained in the aforesaid Note, given the nature of the pending claims against the Group and considering the amount held in escrow account, the Group believes that any further outflow of resources is not probable and has made the disclosures under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" in this regard. Our report on the Statement is not modified in respect of this matter.

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



Sathya P. Koushik
Partner
(Membership No. 206920)

BENGALURU, August 11, 2017