



Amarnath Kamath & Associates Chartered Accountants

Independent Practitioner's Report

To
The Board of Directors
Strides Shasun Limited & Sequent Scientific Limited
Bangalore

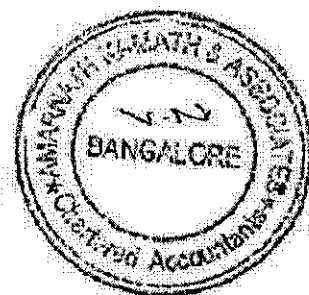
Report Narration

Independent Practitioner's Report providing an assurance as to the status of Net worth of the Companies as given below so as to comply with the disclosure requirements of Listing Agreements entered by the company.

- a) Pre-Demerger Network of Strides Shasun Limited & Sequent Scientific Limited
- b) Post Demerger Network of Strides Shasun Limited & Sequent Scientific Limited
- c) Network of Merged Entity

Detailed Report

1. This Report is issued in accordance with the request from the management of the companies - Strides Shasun Limited (Formerly Strides Arcolab Limited) (Shortly called SSL) and Sequent Scientific Limited (Shortly called Sequent).
2. The Management provided us the Annual Report of the companies - Strides Shasun Limited and Sequent Scientific Limited- dealing with the Financial Statements for the year ended on 31-03-2016 for our verification.
3. The Management also provided us the explanations and information related to the engagement which we relied upon.
4. SSL has a business titled "Commodity Active Pharmaceutical Ingredients" (Called Commodity API) and Sequent has a business titled "Human Active Pharmaceutical Ingredients" (called Human API)



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

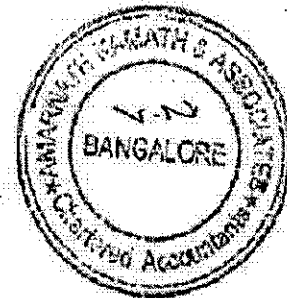
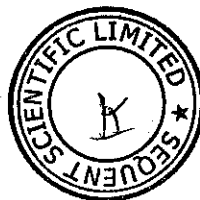


Amarnath Kamath & Associates Chartered Accountants

5. The said business units would be demerged respectively from Strides Shasun Limited and Sequent into a new company Solara Active Pharma Sciences Limited (Formerly SSL Pharma Sciences Limited) hereinafter called "Solara" (which is currently a wholly owned subsidiary of SSL). Upon completion of the demerger Solara is proposed to be listed as an independent listed entity.
6. The Commodity Business of Strides Shasun Limited operates out of 2 Manufacturing Plants in Pondicherry and Cuddalore. In addition to the above, the business includes SSL's shareholding of 49% in a subsidiary named Chemsynth Laboratories Private Limited, which owns a land in Naidupetta allotted by the Andhra Pradesh Industrial Infrastructure Corporation. Further the Commodity API Business also includes a subsidiary in USA titled Shasun USA Inc., USA.
7. The Human API business of Sequent operates out of 3 Manufacturing Plants – in Mangalore, Mahad and Mysore. In addition to the Human API Business carried out by Sequent, the Business also includes shares in 89% Subsidiary Sequent Penems Private Limited. Further we understand that the analytical business which supports Sequent's Human API Business and which was housed in the wholly owned subsidiary Sequent Research Limited has been transferred to Sequent in March 2017

Management Responsibility

8. The Preparation of the Annual Report, the related financial statements and complying with the SEBI LODR Regulations are the responsibility of the Management of Strides Shasun Limited (herein after called "the company") including the preparation and maintenance of all accounting and other relevant supporting records and documents.
9. The said responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Financial Statements and related disclosures and applying appropriate basis of preparation and making estimates are reasonable in the circumstances.





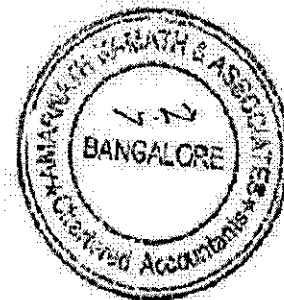
Amarnath Kamath & Associates Chartered Accountants

Practitioners' Responsibility

10. Both Strides Shasun Limited and Sequent are "Listed Companies" and are subject to SEBI LODR Regulations. Pursuant to Regulation 37 of the SEBI LODR Regulations, we have been requested to verify and certify the position of networth of the company as on March 31, 2016.
11. The financial statements referred to in para 4 has been audited by the company's auditors on which they have issued an unmodified opinion.
12. We conducted our examination of the Statement in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes issued by the Institute of Chartered Accountants of India.
13. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
14. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews.

Opinion

15. Based on our examination of statement and according to the information and explanations given to us by the management of the companies- Strides Shasun Limited and Sequent Scientific Limited, we state that the computation of the Networth of the company as at 31st March, 2016 as detailed in the Annexure 1 to this report, read together with the Notes included therein is in accordance with the company's audited financial statements as at March 31, 2016.





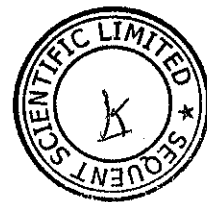
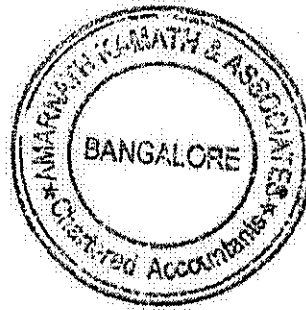
Amarnath Kamath & Associates Chartered Accountants

Restriction on Use

16. The certificate is issued at the request of the company for solely for submission to the stock exchange in connection with the draft scheme of demerger and should not be used for any other purposes without our prior written confirmation. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without prior consent in writing.

**For Amarnath Kamath & Associates
Chartered Accountants
V. Narayanan, Partner**

**M. No. 219265 FRN 000099S
Date : April 20, 2017
Place : Bangalore**





Amarnath Kamath & Associates Chartered Accountants

Annexure 1 to Networth Certificate Net-Worth as on 31st March, 2016

Rs. in Millions

Particulars	Pre-Demerger		Post Demerger		Solara Active Pharma Sciences Limited
	Strides Shasun Limited	Sequent Scientific Limited	Strides Shasun Limited	Sequent Scientific Limited	
Paid-up Share Capital	893.46	476.47	893.46	476.47	
Free Reserves					
General Reserve	3,836.44	144.44	3,836.44	144.44	
Securities Premium	18,812.74	9,537.94	18,812.74	9,537.94	
Surplus in Statement of Profit & Loss	3,053.16	-824.44	1,768.46	-962.75	1,423.01
Total of Free Reserves	25,702.34	8,857.94	24,417.64	8,719.63	1,423.01
Net-Worth	26,595.80	9,334.41	25,311.10	9,196.10	1,423.01

Note: According to sec 2(57) of companies act 2013, "net worth" means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

**For Amarnath Kamath & Associates
Chartered Accountants
V. Narayanan, Partner**

**M. No. 219265 FRN 000099S
Date : April 20, 2017
Place : Bangalore**

