



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022**

Rs. in Million

Sl. No.	Particulars	3 Months ended September 30, 2022	Preceding 3 Months ended June 30, 2022	Corresponding 3 Months ended in the previous year September 30, 2021	Year to date figures for the current period ended September 30, 2022	Year to date figures for the previous period ended September 30, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
	Continuing operations						
I	Revenue from operations	8,970.97	9,400.74	7,214.73	18,371.71	14,098.39	30,702.50
II	Other income	234.59	135.48	222.10	370.07	357.42	1,319.88
III	Total income (I + II)	9,205.56	9,536.22	7,436.83	18,741.78	14,455.81	32,022.38
IV	Expenses						
	(a) Cost of materials consumed	3,726.86	4,926.95	2,872.31	8,653.81	6,041.59	10,909.32
	(b) Purchases of stock-in-trade	123.06	593.14	840.16	716.20	1,447.96	3,161.06
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	20.95	(804.07)	(465.82)	(783.12)	(752.16)	952.79
	(d) Employee benefits expense	1,916.91	1,836.60	1,483.55	3,753.51	3,097.12	6,469.09
	(e) Finance costs	676.40	545.41	435.55	1,221.81	850.09	1,767.44
	(f) Depreciation and amortisation expense	617.02	604.00	565.59	1,221.02	1,114.42	2,330.14
	(g) Other expenses	2,341.53	2,336.22	2,495.31	4,677.75	4,828.17	9,313.46
	(h) Foreign exchange (gain) / loss - net	(139.63)	(89.63)	124.88	(229.26)	73.71	97.84
	Total expenses (IV)	9,283.10	9,948.62	8,351.53	19,231.72	16,700.90	35,001.14
V	Profit/ (loss) before exceptional items and tax (III - IV)	(77.54)	(412.40)	(914.70)	(489.94)	(2,245.09)	(2,978.76)
VI	Exceptional items - net gain / (loss) (Refer note 9)	145.20	(657.73)	(599.03)	(512.53)	(1,514.47)	(2,438.25)
VII	Profit / (loss) before tax (V + VI)	67.66	(1,070.13)	(1,513.73)	(1,002.47)	(3,759.56)	(5,417.01)
VIII	Share of loss of joint venture and associates	(448.38)	(563.91)	(233.73)	(1,012.29)	(428.99)	(1,108.12)
IX	Profit/ (loss) before tax (VII + VIII)	(380.72)	(1,634.04)	(1,747.46)	(2,014.76)	(4,188.55)	(6,525.13)
X	Tax expense / (benefit)						
	- Current tax (Refer note 8)	(181.15)	41.59	18.54	(139.56)	59.48	(1,504.40)
	- Deferred tax	(202.89)	(322.33)	(86.18)	(525.22)	(482.52)	(278.23)
	Total tax expense / (benefit) (X)	(384.04)	(280.74)	(67.64)	(664.78)	(423.04)	(1,782.63)
XI	Profit/(loss) after tax from continuing operations (IX - X)	3.32	(1,353.30)	(1,679.82)	(1,349.98)	(3,765.51)	(4,742.50)
XII	Discontinued operations						
	- Profit / (loss) from discontinued operations	-	-	-	-	-	-
	- Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net) (Refer note 16)	185.69	-	-	185.69	-	-
	- Tax expense of discontinued operations	-	-	-	-	-	-
XIII	Profit/(loss) after tax from discontinued operations	185.69	-	-	185.69	-	-
XIV	Profit / (loss) for the period (XI + XIII)	189.01	(1,353.30)	(1,679.82)	(1,164.29)	(3,765.51)	(4,742.50)



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022**

Rs. in Million

Sl. No.	Particulars	3 Months ended September 30, 2022	Preceding 3 Months ended June 30, 2022	Corresponding 3 Months ended in the previous year September 30, 2021	Year to date figures for the current period ended September 30, 2022	Year to date figures for the pervious period ended September 30, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
		(1)	(2)	(3)	(4)	(5)	(6)
XV	Other comprehensive income						
A	(i) Items that will not be reclassified to statement of profit and loss	(14.00)	(15.65)	(50.20)	(29.65)	(78.00)	(86.64)
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	2.16	1.18	10.56	3.34	17.47	18.96
B	(i) Items that may be reclassified to statement of profit and loss	197.13	266.10	(15.75)	463.23	237.29	560.86
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	26.85	(7.68)	(27.44)	19.17	(20.31)	(3.19)
	Total other comprehensive income for the period (XV)	212.14	243.95	(82.83)	456.09	156.45	489.99
XVI	Total comprehensive income for the period (XIV + XV)	401.15	(1,109.35)	(1,762.65)	(708.20)	(3,609.06)	(4,252.51)
	Profit for the period attributable to:						
	- Owners of the Company	228.25	(1,358.92)	(1,625.59)	(1,130.67)	(3,677.59)	(4,602.11)
	- Non-controlling interests	(39.24)	5.62	(54.23)	(33.62)	(87.92)	(140.39)
		189.01	(1,353.30)	(1,679.82)	(1,164.29)	(3,765.51)	(4,742.50)
	Other comprehensive income for the period						
	- Owners of the Company	206.84	241.71	(90.22)	448.55	153.63	477.04
	- Non-controlling interests	5.30	2.24	7.39	7.54	2.82	12.95
		212.14	243.95	(82.83)	456.09	156.45	489.99
	Total comprehensive income for the period						
	- Owners of the Company	435.09	(1,117.21)	(1,715.81)	(682.12)	(3,523.96)	(4,125.07)
	- Non-controlling interests	(33.94)	7.86	(46.84)	(26.08)	(85.10)	(127.44)
		401.15	(1,109.35)	(1,762.65)	(708.20)	(3,609.06)	(4,252.51)
	Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(not annualised)	(annualised)
	(1) Basic (in Rs.)	0.47	(15.13)	(18.12)	(14.65)	(40.99)	(51.28)
	(2) Diluted (in Rs.)	0.47	(15.13)	(18.12)	(14.65)	(40.99)	(51.28)
	Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)						
	(1) Basic (in Rs.)	2.07	-	-	2.07	-	-
	(2) Diluted (in Rs.)	2.07	-	-	2.07	-	-
	Earnings per equity share (face value of Rs. 10/- each) (for total operations)						
	(1) Basic (in Rs.)	2.54	(15.13)	(18.12)	(12.58)	(40.99)	(51.28)
	(2) Diluted (in Rs.)	2.54	(15.13)	(18.12)	(12.58)	(40.99)	(51.28)
	See accompanying notes to the Financial Results						

STRIDES PHARMA SCIENCE LIMITED

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

CONSOLIDATED BALANCE SHEET

Rs. in Million

	Particulars	As at	As at
		September 30, 2022	March 31, 2022
		UNAUDITED	AUDITED
A	ASSETS		
I	Non-current assets		
	(a) Property, plant and equipment	11,858.71	12,815.29
	(b) Capital work-in-progress	393.39	562.29
	(c) Right-of-use assets	1,617.17	1,758.86
	(d) Investment property	128.28	131.73
	(e) Goodwill	5,001.50	4,859.07
	(f) Other Intangible assets	3,751.82	3,901.33
	(g) Intangibles assets under development	2,314.66	2,348.49
	(h) Investment in associates and joint ventures	5,076.36	5,355.55
	(i) Financial assets		
	(i) Investments	1,143.91	47.83
	(ii) Loans receivable	-	30.00
	(iii) Other financial assets	484.90	450.80
	(j) Deferred tax assets (net)	2,599.71	2,151.49
	(k) Income tax assets (net)	1,470.97	1,622.76
	(l) Other non-current assets	63.74	104.82
	Total non-current assets	35,905.12	36,140.31
II	Current assets		
	(a) Inventories	11,337.30	11,737.96
	(b) Financial assets		
	(i) Trade receivables	11,989.65	12,073.01
	(ii) Cash and cash equivalents	1,108.72	1,707.30
	(iii) Other balances with banks	159.79	166.22
	(iv) Loans receivable	88.86	48.24
	(v) Other financial assets	5,874.89	5,915.28
	(c) Other current assets	1,984.24	1,970.30
	Total current assets	32,543.45	33,618.31
	Total Assets	68,448.57	69,758.62

STRIDES PHARMA SCIENCE LIMITED

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022**

		Rs. in Million	
	Particulars	As at September 30, 2022	As at March 31, 2022
		UNAUDITED	AUDITED
B	EQUITY AND LIABILITIES		
I	Equity		
	(a) Equity share capital	902.90	897.90
	(b) Other equity	22,410.80	22,694.38
	Equity attributable to owners of the Company	23,313.70	23,592.28
	Non- Controlling interests	(295.71)	240.88
	Total equity	23,017.99	23,833.16
II	Liabilities		
1	Non-current liabilities		
	(a) Financials liabilities		
	(i) Borrowings	9,428.71	8,356.23
	(ii) Lease Liabilities	1,762.80	1,864.67
	(iii) Other financial liabilities	381.21	571.78
	(b) Provisions	733.55	642.80
	(c) Deferred tax liabilities (net)	60.70	357.19
	(d) Other non-current liabilities	16.54	16.04
	Total non-current liabilities	12,383.51	11,808.71
2	Current liabilities		
	(a) Financials liabilities		
	(i) Borrowings	19,535.06	19,563.37
	(ii) Lease liabilities	431.89	465.98
	iii) Trade payables		
	(a) total outstanding dues of micro enterprises and small enterprises	386.47	326.75
	(b) total outstanding dues of creditors other than micro enterprises and small enterprises	9,282.12	10,388.49
	(iv) Other financial liabilities	1,110.82	1,152.31
	(b) Provisions	1,265.59	1,226.23
	(c) Current tax liabilities	197.26	238.11
	(d) Other current liabilities	837.86	755.51
	Total current liabilities	33,047.07	34,116.75
	Total Equity and liabilities	68,448.57	69,758.62



STRIDES PHARMA SCIENCE LIMITED

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022**

CONSOLIDATED STATEMENT OF CASH FLOW

Sl. No.	Particulars	Rs. In Million		
		For the Current period ended September 30, 2022	For the previous period ended September 30, 2021	For the previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	AUDITED
A.	Cash flow from operating activities			
	Profit / (loss) before tax from:			
	Continuing operations	(2,014.76)	(4,188.55)	(6,525.13)
	Discontinued operations	185.69	-	-
		(1,829.07)	(4,188.55)	(6,525.13)
	Adjustments for:			
	- Depreciation and amortisation expense	1,221.02	1,114.42	2,330.14
	- Share of loss of joint ventures and associates	1,012.29	428.99	1,108.12
	- Gain on sale of property, plant and equipment, other intangible assets and investment property (net)	(34.76)	(109.53)	(112.47)
	- Share based compensation expense	(0.29)	21.05	(7.09)
	- Unwinding/ cancellation of gross obligations and contingent consideration	(129.26)	(53.27)	(11.27)
	- Interest expense on borrowings & others	1,221.81	850.09	1,767.44
	- Interest and dividend income	(289.79)	(177.24)	(1,076.15)
	- Gain on disposal of assets / settlement of liabilities attributable to the discontinued operations (net)	(185.69)	-	-
	- Rental income from investment property	(8.89)	(50.33)	(60.33)
	- Bad debts written off / provision for doubtful trade and other receivables	131.54	(9.49)	1.78
	- Write down of inventories and other assets	47.35	-	46.76
	- Impairment and cost associated with disposal of facility	-	1,651.92	1,727.16
	- Sales returns, write down of inventory and other expenses on account of Product withdrawal	156.79	143.96	552.34
	- Gain on sale of investment in associates/subsidiaries	-	(29.41)	(29.36)
	- Dilution gain on loss of control / significant influence	(613.84)	-	-
	- Gain on lease modifications	-	-	(18.73)
	- Gain on dilution of investment in associates	-	(529.26)	(529.26)
	- Loss on sale of business unit	-	-	154.37
	- Net unrealised exchange gain / (loss)	371.00	354.91	(20.71)
	Operating profit / (loss) before working capital changes	1,070.21	(581.74)	(702.39)
	Changes in working capital:			
	(Increase) / Decrease in trade and other receivables	(1,011.41)	784.14	(587.95)
	(Increase) / Decrease in inventories	(99.88)	(317.55)	281.86
	Decrease in trade and other payables	(664.49)	(1,907.63)	(1,592.95)
	Net change in working capital	(1,775.78)	(1,441.04)	(1,899.04)
	Cash utilised in operations	(705.57)	(2,022.78)	(2,601.43)
	Income taxes refund received	267.20	150.65	23.28
	Net cash flow utilised in operating activities	(438.37)	(1,872.13)	(2,578.15)
	A			



STRIDES PHARMA SCIENCE LIMITED

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

CONSOLIDATED STATEMENT OF CASH FLOW

Sl. No.	Particulars	Rs. In Million		
		For the Current period ended September 30, 2022	For the previous period ended September 30, 2021	For the previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	AUDITED
B.	Cash flow from investing activities			
	Capital expenditure for property, plant and equipment and intangible assets, including capital advance	(484.72)	(961.97)	(1,433.83)
	Proceeds from sale of property, plant and equipment and intangible assets	53.68	639.59	753.74
	Short-term investments in funds	-	(270.17)	(540.61)
	Purchase of long-term investments including investment in associates	(638.50)	(51.06)	(51.06)
	Consideration paid towards acquisition of non-controlling interest in subsidiary and business combinations, net of cash acquired	-	(25.24)	(2,195.13)
	Proceeds from sale of investment in mutual funds	-	1,001.20	1,545.05
	Proceeds from sale of long-term investments including discontinued operations, net of expenses and cash	185.69	67.43	127.30
	Rent deposit given	(0.17)	9.40	(11.21)
	Proceeds / (investment) in fixed deposits with maturity of more than 3 months, net	(10.81)	416.81	488.54
	Rental income from investment property	8.89	52.52	62.52
	Interest and dividends received (net of tax on dividend)	31.03	82.03	67.36
	Net cash flow utilised in investing activities	(854.91)	960.54	(1,187.33)
C.	Cash flow from financing activities			
	Proceeds from issue of equity shares	13.67	28.54	36.18
	Proceeds from issue and exercise of share warrants	371.00	-	-
	Proceeds from long-term borrowings	1,745.20	2,857.00	4,506.57
	Repayment of long-term borrowings	(1,551.19)	(1,533.35)	(2,681.26)
	Net increase in working capital and short-term borrowings	1,422.43	3,130.36	4,564.32
	Lease payments	(265.33)	(192.25)	(450.39)
	Dividends paid (net of tax on dividend)	-	(224.31)	(224.31)
	Interest paid on borrowings	(1,038.33)	(730.97)	(1,537.95)
	Net cash generated from financing activities	697.45	3,335.02	4,213.16



STRIDES PHARMA SCIENCE LIMITED

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

CONSOLIDATED STATEMENT OF CASH FLOW

Sl. No.	Particulars	Rs. In Million		
		For the Current period ended September 30, 2022	For the previous period ended September 30, 2021	For the previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	AUDITED
	Net increase/ (decrease) in cash and cash equivalents during the year (A+B+C)	(595.83)	2,423.43	447.68
	Cash and cash equivalents at the beginning of the year	1,707.30	1,258.34	1,258.34
	Effect of exchange differences on restatement of foreign currency cash and cash equivalents	0.64	0.22	1.28
	Cash and cash equivalents pursuant to deconsolidation of subsidiary	(3.39)	-	-
	Cash and cash equivalents at the end of the year*	1,108.72	3,681.99	1,707.30
	* Comprises:			
	Cash on hand	2.63	2.96	2.71
	Balance with banks:			
	- In current accounts	1,016.57	3,658.38	1,573.41
	- In deposit accounts	16.80	5.24	14.61
	- Funds-in-transit	72.72	15.41	116.57
	Total	1,108.72	3,681.99	1,707.30

**STRIDES PHARMA SCIENCE LIMITED**

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022****Notes:**

- 1 These financial results have been prepared in accordance with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The above consolidated results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 14, 2022. The statutory auditors have reviewed the results for the quarter and half year ended September 30, 2022 and have issued an unmodified opinion.
- 3 The Group has incurred loss of Rs. 1,350 million and continues to have negative operating cash flows for the half year ended September 30, 2022 on account of continuing pricing pressure in some of its key geographies consequent to effects of COVID. Management of the Parent Company and of the subsidiaries had obtained relaxations for compliance with financial covenants for year ended March 31, 2022, as these were not met as of the previous year end. Further, as of September 30, 2022, the Parent Company has provided guarantees aggregating to Rs. 11,182 million (out of which Rs. 6,175 million is outstanding as of September 30, 2022) in relation to the borrowings of its Associate company ("the Associate"), for which there is a material uncertainty to continue as a going concern. The Associate has requested for temporary relaxations for compliance with these financial covenants from the lenders as these have not been met as of the date of these financial results, which are yet to be received. Also refer Note 4 of these financial results.

Further, to mitigate the situation, the Group has raised long-term and other financing facilities amounting to Rs. 1,750 million during the half year and has issued equity warrants to the entity which is part of the Promoter group that is expected to provide additional equity of Rs. 884 million by March 31, 2023. The Group has cash and cash equivalents of Rs. 1,109 million as of September 30, 2022 and also undrawn borrowing facilities available from certain lenders. The Group expects to improve operating profits from the newly acquired business in the US and from cost reductions consequent to capacity optimization at some of its manufacturing locations from April 2022 and by monitoring of freight and other expenses. Accordingly, based on the fact that the Group had generated positive operating cash flows in the earlier years and expects to generate positive operating cash flows in future periods, temporary relaxations from lenders for compliance with financial covenants related to borrowings, its ability to raise new financing facilities, full utilisation of existing facilities, expected equity infusion in the year ending March 31, 2023 and the steps undertaken by management as noted above, management believes that the Group will be able to continue to generate sufficient cash in the foreseeable future to meet its obligations as they fall due.

- 4 During the half year ended September 30, 2022, Stelis Biopharma Limited ('the Associate') has incurred loss of Rs. 2,492 million and has a net negative working capital position amounting to Rs. 4,307 million, which includes the current maturities of non-current borrowings of Rs. 3,863 million as at September 30, 2022.

As of September 30, 2022, the Associate has inventories relating to Sputnik V with a carrying value of Rs. 2,839 million, which remains unsold due to geopolitical situation between Russia and Ukraine and sanctions on Russia and Russian Direct Investment Fund (RDIF). The Associate has received the Government of India's No Objection Certificate (NOC) to export the said inventories. However, it continues to face challenges in liquidating these inventories on account of the ongoing situation. All these inventories have remaining shelf life and the management of the Associate is confident of liquidating these inventories within the shelf life in the normal course of business.

The Associate's net profitability continues to be impacted by high un-utilized facility costs of the new facility which was commissioned during the previous year and has not yet contributed to revenues.

The Associate is expected to grow the business of Contract Development and Manufacturing Operations (CDMO) further during the year and is also anticipating to monetise some of its existing intangible assets under development through potential licensing / strategic partnerships.

The Associate has requested for temporary relaxations for compliance with the financial covenants from the lenders as these have not been met as of the date of these financial results. Also, the shareholders of the Associate have committed to extend the necessary financial support against the monies outstanding on the partly paid shares. During the half year ended September 30, 2022, the shareholders have infused Rs. 2,875 million by subscribing towards call against the partly paid-up shares. The Associate is also exploring various fund raising options and refinancing its debts.

Given the mitigating factors discussed above, while there is a reasonable expectation that the Associate will be able to generate/raise adequate resources to continue operating for the foreseeable future and that the going concern basis for the preparation of its financial statements remains appropriate, there exists a material uncertainty in respect of the Associate's going concern. This also required the Group to undertake the Impairment assessment of the Group's investment in the Associate. The Group estimated the recoverable amount based on the value in use of the underlying businesses. The computation used cash flow forecasts based on the most recently approved financial budgets and strategic forecasts. The Group also considered the valuation at which funds were raised by the associate during the previous year and significant increase in its revenues and contracting during the previous year. Accordingly, based on the above assessment, the Group has concluded that no impairment provision is required in the consolidated financial results.



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

- 5 a. The Group to enable its associate, Consumer Healthcare (CHC) Business, to raise additional capital from other investors to fund its growth, decided to dilute its equity holding. Consequently, in accordance with the revised agreement with other investors the Group reduced its equity holding to 19%. Pursuant to the such amended agreement the Group has no longer any representation on the board of CHC. These changes required the Group to re-evaluate its accounting for investment in CHC. Pursuant to these amendments, the Group concluded that the Group no longer has any significant influence over the CHC business and will only retain its investment as a passive shareholder. Accordingly, the Group discontinued its equity method associate accounting for CHC and will hereafter only account for its investments at fair value through other comprehensive income. Accordingly, gain on loss of significant influence amounting of Rs. 464.73 million has been recorded during the current quarter and half year ended 30 September 2022.
- b. During the previous year, one of the associates of the Group, raised additional equity investments. Consequently, the Group's shareholding has reduced. As per Ind AS 28 'Investment in associates and Joint ventures', the group recorded gain on dilution of shareholding of Rs. 529.26 million during the half year ended September 2021.
- 6 During the previous year, the Group completed the sale of business of its subsidiary (Pharmapar Inc., Canada) for consideration of CAD 0.63 million. The net loss of Rs. 154.37 million arising from the transaction was recorded as exceptional items in the statement of profit and loss for the year ended March 31, 2022.
- 7 a. On March 31, 2020, US Food and Drug Administration (USFDA or the Agency) issued letters to all manufacturers of Ranitidine across dosage forms requesting withdrawal of all prescription(Rx) and over-the-counter (OTC) ranitidine drugs from the market immediately. This step was based on their ongoing investigation of the N-Nitrosodimethylamine (NDMA) impurity in ranitidine medications. As a result, effective 1 April 2020, the Group has ceased further distribution of the product and is currently in the process of withdrawing the product from the market.
- b. During the previous year, USFDA issued a letter to the Group to test for the presence of Azide impurity(s) in Losartan. The Azide impurities are API process impurity(s), with the API supplier also receiving a similar letter from USFDA. The results confirmed the presence of Azide impurity(s) in the batches tested. As a result, the group proposed to initiate recall of specific batches which had the Azide impurity(s).
- During the previous year, the Group had estimated the impact of the aforesaid recall and recorded a sales return provision for potential refunds on return of the product. The Group has also estimated the costs of such recall and have provided for all inventory of Losartan with the Azide impurity(s) as of 31 March 2022, amounting to Rs. 353.47 million. Subsequently the API process from the API supplier was optimized to address this issue and the product was relaunched.
- During the half year ended September 30, 2022, with respect to the above mentioned recalls, the Group is carrying sufficient provision for sales return and has recorded an amount of Rs. 156.79 million towards other expenses related to its product withdrawal. Furthermore, the expenses recorded also includes legal fees incurred by the Group in respect of its ongoing litigations with respect to these recalled products. These amounts, in line with earlier periods, have been recorded as an expense within Exceptional items in the statement of profit and loss during the period.
- 8 During the current quarter, the company has received tax refund on completion of assessments amounting to Rs. 353 million pertaining to certain tax credits for earlier years and the interest income amounting to Rs. 110.7 million on the said refund has been recorded under Other income in these financial results.



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022**

9 Exceptional Item gain/ (loss) (net):

							Rs. in Million
Particulars	3 Months ended September 30, 2022	Preceding 3 Months ended June 30, 2022	Corresponding 3 Months ended in the previous year September 30, 2021	Year to date figures for the current period ended September 30, 2022	Year to date figures for the previous period ended September 30, 2021	Previous year ended March 31, 2022	
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED	
- Exchange gain/ (loss) on long-term foreign currency loans, deferred consideration and intra-group loans	(462.62)	(498.22)	(221.20)	(960.84)	(268.35)	(109.24)	
- Sales returns, write down of inventory and other expenses on account of product withdrawal and recall (Refer note 7)	(134.91)	(21.88)	(44.68)	(156.79)	(143.96)	(552.34)	
- Impairment and cost associated with disposal of facility (Refer note 10)	-	-	(252.18)	-	(1,651.92)	(1,727.16)	
- Impairment/Write down of assets	(16.27)	(31.08)	-	(47.35)	-	(46.76)	
- Gain on dilution of investment in associates (Refer note 5)	464.73	-	-	464.73	529.26	529.26	
- Business combination and restructuring expenses	-	(0.88)	(62.08)	(0.88)	(62.19)	(211.27)	
- Employee Severance and retrenchment expense (Refer note 10)	(5.84)	(83.93)	-	(89.77)	-	(207.00)	
- Unwinding/ cancellation of gross obligations and contingent consideration	151.00	(21.74)	(20.51)	129.26	53.28	11.27	
- Gain on sale of Investment in associate	-	-	-	-	27.79	27.79	
- Gain on divestment / deconsolidation of subsidiaries (Refer note 11)	149.11	-	1.62	149.11	1.62	1.57	
- Loss on sale of business units (Refer note 6)	-	-	-	-	-	(154.37)	
Total	145.20	(657.73)	(599.03)	(512.53)	(1,514.47)	(2,438.25)	

10 On Aug 4, 2021, the Group through its wholly owned subsidiaries entered into definitive agreements with subsidiaries of Endo international Plc to acquire a portfolio of generic products along with the US manufacturing site at Chestnut Ridge, New York. Pursuant to such acquisition, the management decided to consolidate its existing operations with the acquired facility at Chestnut Ridge, New York to optimise future operating costs.

During the previous year, the Group has divested the Florida facility. Accordingly the Group recorded an impairment loss (including associated costs) amounting to Rs. 1,727.16 million which has been disclosed under exceptional items.

Additionally, the Group as part of cost improvement measures globally and capacity optimization at various manufacturing locations, resulting in one time severance expense aggregating to Rs. 89.77 million (previous year Rs. 207 million), which has been disclosed under exceptional items.

11 Universal Corporation, Kenya (UCL) would have a favorable opportunity to participate in local and certain global tenders which has allocated quota for locally owned companies i.e. Kenyan shareholders own at-least 51% ownership in the company. In order to maximize the opportunities for UCL, the shareholders have jointly agreed to take the necessary steps that enables the company to be eligible and win such businesses enabling its future growth.

During the current quarter, to enable Universal Corporation, Kenya (UCL) to compete in local tender businesses in Africa which promotes local companies, the Group decided to reduce its equity shareholding below majority in UCL. Consequently, the Group also ceded away the control over the board of UCL in favour of the other existing shareholders. However, it continues to have board representation to exercise significant influence. Pursuant to above amendments, the Group concluded that it no longer exercises control over UCL and hence will account for its investment as an equity method associate. As per Ind AS 110 - Consolidated Financial Statements, the resulting gain of Rs. 149 million, on loss of control has been disclosed under exceptional items. As on September 30, 2022, the fair value of investment in UCL has been disclosed under investment in associates and joint ventures.



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022**

12 Based on the "management approach" as defined in Ind AS 108, the Chief Operating Decision Maker ("CODM") evaluates the Group's performance based on an analysis of various performance indicators. The accounting principles used in the preparation of these financial results are consistently applied to record revenue and expenditure in individual segments.

Effective previous year, the Group pursuant to its assessment that the business has now evolved from its incubation stage and to align to the decision to demerge certain parts of its business, implemented operational changes in how its CODM evaluates its businesses, including resource allocation and performance assessment. As a result of the aforesaid change, the Group has two operating segments, representing the individual businesses that are managed separately. The Group's reportable segment are as follows; "Pharmaceutical" & "Bio-pharmaceutical".

Rs. in Million

	Particulars	3 Months ended	Preceding 3 Months	Corresponding 3	Year to date figures	Year to date figures	Previous year ended
		September 30, 2022	ended June 30, 2022	Months ended in the previous year September 30, 2021	for the current period ended September 30, 2022	for the pervious period ended September 30, 2021	March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	Segment Revenue						
	a) Pharmaceutical business	8,970.97	9,400.74	7,214.73	18,371.71	14,098.39	30,702.50
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	Revenue from operations	8,970.97	9,400.74	7,214.73	18,371.71	14,098.39	30,702.50
2	Segment results						
	(i) Profit/ (loss) before exceptional items and tax						
	a) Pharmaceutical business	(77.54)	(412.40)	(914.70)	(489.94)	(2,245.09)	(2,978.76)
	b) Bio-pharmaceutical business	-	-	-	-	-	-
	(ii) Exceptional items - net gain / (loss)	(77.54)	(412.40)	(914.70)	(489.94)	(2,245.09)	(2,978.76)
	a) Pharmaceutical business	145.20	(657.73)	(599.03)	(512.53)	(2,043.73)	(2,967.51)
	b) Bio-pharmaceutical business	-	-	-	-	529.26	529.26
	(iii) Share of loss of joint ventures and associates	145.20	(657.73)	(599.03)	(512.53)	(1,514.47)	(2,438.25)
	a) Pharmaceutical business	(22.84)	(65.05)	(25.07)	(87.89)	(113.11)	(250.62)
	b) Bio-pharmaceutical business	(425.54)	(498.86)	(208.66)	(924.40)	(315.88)	(857.50)
	(iv) Profit/ (loss) before tax	(448.38)	(563.91)	(233.73)	(1,012.29)	(428.99)	(1,108.12)
	a) Pharmaceutical business	44.82	(1,135.18)	(1,538.80)	(1,090.36)	(4,401.93)	(6,196.89)
	b) Bio-pharmaceutical business	(425.54)	(498.86)	(208.66)	(924.40)	213.38	(328.24)
	Profit/ (loss) before tax [(i)+(ii)+(iii)]	(380.72)	(1,634.04)	(1,747.46)	(2,014.76)	(4,188.55)	(6,525.13)
	Tax expense	(384.04)	(280.74)	(67.64)	(664.78)	(423.04)	(1,782.63)
	(v) Profit/(loss) after tax from continuing operations	3.32	(1,353.30)	(1,679.82)	(1,349.98)	(3,765.51)	(4,742.50)



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

**STATEMENT OF CONSOLIDATED UNAUDITED RESULTS
FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022**

Rs. in Million

	Particulars	3 Months ended September 30, 2022	Preceding 3 Months ended June 30, 2022	Corresponding 3 Months ended in the previous year September 30, 2021	Year to date figures for the current period ended September 30, 2022	Year to date figures for the pervious period ended September 30, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
1	Segment Assets						
	a) Pharmaceutical business	64,206.20	66,095.42	63,264.71	64,206.20	63,264.71	65,139.56
	b) Bio-pharmaceutical business	4,242.37	4,519.05	5,170.25	4,242.37	5,170.25	4,619.06
	Total Segment Assets	68,448.57	70,614.47	68,434.96	68,448.57	68,434.96	69,758.62
2	Segment Liabilities						
	a) Pharmaceutical business	45,430.58	47,652.20	44,090.21	45,430.58	44,090.21	45,925.46
	b) Bio-pharmaceutical business	-	-	7.42	-	7.42	-
	Total Segment Liabilities	45,430.58	47,652.20	44,097.63	45,430.58	44,097.63	45,925.46

13 The Company's erstwhile Managing Director and Chief Executive Officer tendered resignation on March 29, 2022, which has been accepted by the Board of Directors (Board). As part of the terms of his remuneration, as approved in the Annual General Meeting dated August 20, 2020, he was entitled to a joining bonus of Rs. 141.90 million which had been paid in full by the Company in earlier periods. However, the employment terms contain a provision to claw back the joining bonus in full if he were to leave the Company before completing 36 months from the date of such payment. The Board has decided to recover the joining bonus in accordance with the terms of employment. Accordingly, in line with the requirements of Section 197(9), the Company has shown an amount of Rs. 141.90 million as a recoverable balance which is disclosed under current financial assets.

14 Board of Directors of the Company on March 14, 2022 approved the issuance of upto 2,000,000 Equity Warrants at a price of Rs 442/- per warrant, which is higher than the floor price arrived at as stipulated in Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time, to Karuna Business Solutions LLP, a promoter group entity, with a right to apply for and get allotted, within a period of 18 (Eighteen) months from the date of allotment of Warrants, 1 (one) Equity Share of face value of Rs 10/- (Rupee Ten Only) each for each Warrant, for cash. The issue was approved by the shareholders of the Company at the Extra Ordinary General Meeting held on April 7, 2022 and has also received requisite listing approvals. As on September 30, 2022, the Company has received amount of Rs. 370 million and allotted 452,490 equity shares against equivalent number of share warrants. Equity warrants of 1,547,510 are pending to be allotted as on September 30, 2022.

15 During the current quarter, the Group through its subsidiary, Arcolab Private Limited acquired 25% equity interest in Neviton Softech Private Limited (Neviton), for a consideration of Rs. 89 million (EUR 1.1 million). Neviton is in the business of providing IoT and engineering solutions to a wide range of businesses. It has expertise in building machine interfaces through internet of things (IoT) devices and live feeding data into real-time applications. The Group expects to derive benefits on its internal group wise digitisation process through this investment.



STRIDES PHARMA SCIENCE LIMITED

CIN: L24230MH1990PLC057062

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.

Corp. Office: "Strides House", Bilekahalli, Bannerghatta Road, Bangalore-560 076.

STATEMENT OF CONSOLIDATED UNAUDITED RESULTS

FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2022

16 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"). Under the terms of SPA, the Group is entitled to the benefit of any refund of taxes in respect of any period ending on or before the completion date.

During the current quarter, Mylan has received certain tax refund with respect to the period on or before the completion date, which has been remitted to the Group. The Group has recorded such receipt of Rs. 185.69 million as a gain under discontinued operations.

Sl. No.	Particulars	3 Months ended September 30, 2022	Preceding 3 Months ended June 30, 2022	Corresponding 3 Months ended in the previous year September 30, 2021	Year to date figures for the current period ended September 30, 2022	Year to date figures for the previous period ended September 30, 2021	Previous year ended March 31, 2022
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
I	Total Revenue	-	-	-	-	-	-
II	Total Expenses	-	-	-	-	-	-
III	Profit/(loss) before exceptional items and tax (I - II)	-	-	-	-	-	-
IV	Exceptional items	-	-	-	-	-	-
V	Profit/(loss) before tax (III + IV)	-	-	-	-	-	-
VI	Share of profit / (loss) of joint ventures and associates	-	-	-	-	-	-
VII	Profit/(loss) before tax (V + VI)	-	-	-	-	-	-
VIII	Gain on disposals of assets (net)	185.69	-	-	185.69	-	-
IX	Tax expense / (benefit)	-	-	-	-	-	-
X	Profit/(loss) from discontinued operations (VII+ VIII - IX)	185.69	-	-	185.69	-	-

17 Information on Standalone Results : -

Rs. in Million

Particulars	3 Months ended September 30, 2022	Preceding 3 Months ended June 30, 2022	Corresponding 3 Months ended in the previous year September 30, 2021	Year to date figures for the current period ended September 30, 2022	Year to date figures for the previous period ended September 30, 2021	Previous year ended March 31, 2022
	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
Total Income from continuing operations	5,017.06	4,306.55	5,974.07	9,323.61	11,149.45	21,024.88
Profit/ (loss) before tax from continuing operations	(440.71)	(1,038.80)	242.82	(1,479.51)	(35.09)	215.08
Profit/ (loss) after tax from continuing operations	(39.97)	(662.54)	185.18	(702.51)	(27.13)	1,801.88
Profit/(loss) before tax from discontinued operations	-	-	-	-	-	-
Profit/(loss) after tax from discontinued operations	-	-	-	-	-	-

18 Previous period figures have been regrouped to conform with the classification adopted in these financial results.

For and on behalf of the Board

Arun Kumar

Executive Chairperson and Managing Director

Mumbai, November 14, 2022