

B S R & Co. LLP

Chartered Accountants

Embassy Golf Links Business Park
Pebble Beach, B Block, 3rd Floor
Off Intermediate Ring Road
Bengaluru 560 071 India

Telephone +91 80 4682 3000
Fax +91 80 4682 3999

Independent Auditor's Certificate

The Board of Directors
Strides Pharma Science Limited,
201, Devavrata,
Sector 17, Vashi,
Navi Mumbai 400703
India

Sub: Certificate on the proposed accounting treatment in the scheme of amalgamation in pursuance of the provisions of the Companies Act, 2013 ('The Act')

We, B S R & Co. LLP, the statutory auditors of Strides Pharma Science Limited ("the Company") have been requested to certify that the accounting treatment specified in paragraph 11 of Part D of the scheme of amalgamation of Arrow Remedies Private Limited, Fagris Medica Private Limited and Strides Emerging Markets Limited with Strides Pharma Science Limited and their respective shareholders and creditors (under sections 230 to 232 of the Companies Act, 2013, approved on 29 July 2019 by the Board of Directors of the Company ("Proposed Scheme") is in conformity with the accounting standards specified under Section 133 of the Act, read with rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 ('relevant accounting standards'). This certificate is issued in accordance with the terms of our engagement letter dated 7 October 2019.

Management's Responsibility

The Company's Management is responsible for the preparation of the Proposed Scheme and its compliance with the relevant laws and regulations including the accounting treatment being in accordance with relevant accounting standards specified under the Act and as per other applicable laws and regulations.

The Company's Management is responsible for preparation and maintenance of all accounting records and documents relating to the amalgamation and an internal controls structure sufficient to permit the timely and reliable recording of transactions and prevention and detection of fraud and errors.

Auditor's Responsibility

Our responsibility is only to examine and report on whether the proposed accounting treatment in the books of the Company specified in paragraph 11 of Part D of the Proposed Scheme and as reproduced in Annexure 1 of this report is in conformity with the relevant accounting standards.

We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) issued by the Institute of Chartered Accountants of India. 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. 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 of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

As per the applicable accounting standard Indian Accounting Standard 103, Business Combinations, (Ind AS 103), since the merger is of subsidiary companies with the holding company, there is no transfer of control in this transaction and therefore, the financial information should be restated at carrying amounts not from the appointed date but from the beginning of the preceding period in the immediate financial statements unless the entity was acquired on a subsequent date and control was established only on such subsequent date in which case the financial information should be restated from that date. However, as per section 232(6) of the Companies Act, 2013 and for the purpose of income tax assessment, the Scheme has to provide for the appointed date from which the Scheme shall be deemed to be effective. The Company has accordingly proposed the appointed date as 1 April 2019 for merger of Arrow Remedies Private Limited, Fagris Medica Private Limited and Strides Emerging Markets Limited.

In our view read with the above, the accounting treatment proposed in paragraph 11 of Part D of the Proposed Scheme and as reproduced in Annexure 1 of this report, once approved by the relevant authority will be in conformity with Ind AS 103 i.e. the Accounting Standards prescribed under section 133 of the Act.


Restriction on Use

This certificate is issued at the specific request of the Company solely for the purpose of their record to comply with the relevant provisions of the Act and for onward submission to the relevant statutory authorities as may be necessary to give effect to the Proposed Scheme and is not to be filed anywhere or used for any other purpose without our prior written permission.

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration Number: 101248 W/W-100022



Sampad Guha Thakurta

Partner

Membership No: 060573

Unique Document Identification Number (UDIN): 19060573AAAACZ7059

Place: Bengaluru

Date: 18 October 2019