



**SOLARA**  
Active Pharma Sciences

**Communication Address :**

**Solara Active Pharma Sciences Limited**  
# 2/1, 2nd Floor, Embassy Vogue  
Palace Loop Road, Vasanth Nagar  
Bengaluru - 560 052.  
Tel: +91 80 46632100, Fax: +91 80 46632125

August 3, 2018

The BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai – 400 001

The National Stock Exchange of India Limited  
Exchange Plaza, Bandra-Kurla Complex  
Bandra (E), Mumbai – 400 051

Scrip Code: 541540

Scrip Code: SOLARA

Dear Sir / Madam,

Sub: Outcome of Board Meeting

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors at its meeting held earlier in the day have approved the Unaudited financial results (Standalone and Consolidated) of the Company for the quarter ended June 30, 2018.

A copy of the unaudited financial results of the Company for the quarter ended June 30, 2018 along with Limited Review Report issued by the Statutory Auditors of the Company and the press release on the same is attached.

We are arranging to publish the financial results in the newspapers.

The Board Meeting commenced at 10.00 a.m. and concluded at 12.00 noon.

You are requested to take the same on record.

Thanking you,

Yours faithfully,  
**For Solara Active Pharma Sciences Limited**

**S. Murali Krishna**  
Company Secretary

Encl.: as above

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

**TO THE BOARD OF DIRECTORS OF SOLARA ACTIVE PHARMA SCIENCES LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SOLARA ACTIVE PHARMA SCIENCES LIMITED** ("the Company") for the Quarter ended June 30, 2018 ("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, read with note 2 of the accompanying Statement, 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.

For **Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Sathya P. Koushik**  
Partner

Membership No. 206920

**BENGALURU, August 3, 2018**



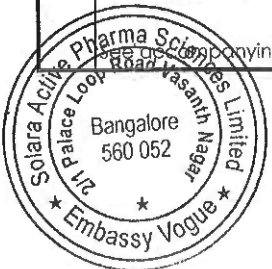
**SOLARA ACTIVE PHARMA SCIENCES LIMITED**

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.  
 Corp. Office: No 28, Sardar Patel Road, Guindy, Chennai - 600 032

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS  
 FOR THE QUARTER ENDED JUNE 30, 2018**

(Rs. in Lakhs except as otherwise stated)

Sl. No.	Particulars	3 Months ended	Previous financial
		June 30, 2018	year ended March 31, 2018
		UNAUDITED	AUDITED (Refer note 2)
	<b>Continuing operations</b>		
I	Revenue from operations	30,281	52,097
II	Other income	43	228
III	<b>Total income (I + II)</b>	<b>30,324</b>	<b>52,325</b>
IV	<b>Expenses</b>		
	(a) Cost of materials consumed	18,157	27,415
	(b) Purchases of stock-in-trade	86	405
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,059)	(644)
	(d) Employee benefits expense	4,237	6,654
	(e) Finance costs	1,822	2,513
	(f) Depreciation and amortisation expense	1,903	3,383
	(g) Other expenses	6,212	11,841
	<b>Total expenses (IV)</b>	<b>29,358</b>	<b>51,567</b>
V	<b>Profit/(loss) before tax (III - IV)</b>	<b>966</b>	<b>758</b>
VI	<b>Tax expense</b>		
	- Current tax	206	159
	- Deferred tax	(206)	(159)
	<b>Total tax expense (VI)</b>	<b>-</b>	<b>-</b>
VII	<b>Profit/(loss) after tax from continuing operations (V - VI)</b>	<b>966</b>	<b>758</b>
	<b>Discontinued operations</b>		
	- Profit/(loss) from discontinued operations	(668)	(563)
	- Tax expense of discontinued operations	-	-
VIII	<b>Profit/(loss) after tax from discontinued operations</b>	<b>(668)</b>	<b>(563)</b>
IX	<b>Profit/(loss) for the period (VII + VIII)</b>	<b>298</b>	<b>195</b>
X	<b>Other comprehensive income/(loss)</b>		
A	(i) Items that will not be reclassified to statement of profit and loss	-	(25)
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	-	-
B	(i) Items that may be reclassified to statement of profit and loss	-	-
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	-	-
	<b>Total other comprehensive income/(loss) for the period (X)</b>	<b>-</b>	<b>(25)</b>
XI	<b>Total comprehensive income for the period (IX + X)</b>	<b>298</b>	<b>170</b>
	<b>Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)</b>		
	(a) Basic (Rs.)	3.10	6.77
	(b) Diluted (Rs.)	3.10	6.77
	<b>Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)</b>		
	(a) Basic (Rs.)	(2.71)	(5.03)
	(b) Diluted (Rs.)	(2.71)	(5.03)
	<b>Earnings per equity share (face value of Rs. 10/- each) (for total operations)</b>		
	(a) Basic (Rs.)	0.40	1.74
	(b) Diluted (Rs.)	0.40	1.74



Refer to accompanying notes to these Financial Results



**SOLARA ACTIVE PHARMA SCIENCES LIMITED**

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

Corp. Office: No 28, Sardar Patel Road, Guindy, Chennai - 600 032

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS**

(Rs. in Lakhs except as otherwise stated)

**Notes:**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 3, 2018. The statutory auditors have carried out limited review of the above results for the quarter ended June 30, 2018.
- The Company was incorporated on February 23, 2017 and its first financial year covered the period from February 23, 2017 to March 31, 2018. Further, the Company listed its equity shares on June 25, 2018. Accordingly, since these quarterly financial results for the quarter ending June 30 are prepared for the first time in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the "Listing Regulations"), the results for the preceeding quarter ended March 31, 2018 and the corresponding quarter ended June 30, 2017 are not presented in these results.
- The results for the financial year ended March 31, 2018 mainly comprises of the results of the following business that were acquired during the previous financial year.

(i) The Company acquired the commodity API business and Human API business wef October 1, 2017 (the Appointed Date) under a Composite Scheme of Arrangement between the Company, Strides Shasun Limited (Strides) and Sequent Scientific Limited (Sequent), which was approved by the NCLT.

In accordance with the terms of the Scheme, the Company allotted 24,674,267 equity shares to the shareholders of Strides and Sequent, as a consideration for the transfer of the above businesses into the Company, in the ratio of 1 equity share of Rs. 10/- each of the Company for every 6 shares of Rs. 10/- each held by the shareholders of Strides, and 1 equity share of Rs. 10/- each of the Company for every 25 shares of Rs. 2/- each held by the shareholders of Sequent, on April 11, 2018, the effect of which was given in the financial statements for the financial year ended March 31, 2018 as on the Appointed Date of the Scheme.

The transfer of the above businesses into the Company during the previous financial year were accounted in accordance with the Ind AS notified under Section 133 of the Act, as on the Appointed Date of the Scheme, as per the requirements of the Scheme.

Upon the Scheme coming into effect, the investments in following entities, held by the respective businesses above, have also been transferred to the Company:

- Chemsynth Laboratories Private Limited, India
- Sequent Penems Private Limited, India
- Shasun USA Inc, USA

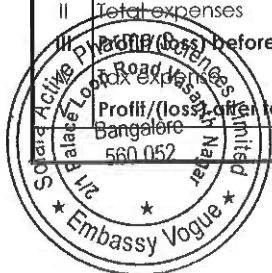
(ii) Acquisition of R&D business from Sovizen Life Sciences Private Limited with effect from February 1, 2018.

**4 R&D business acquisition during the current quarter:**

In accordance with the terms of the Business Purchase Agreement with Strides Shasun Limited (Strides), the Company acquired an R&D business unit at Chennai (Strides API Research Centre) with effect from April 1, 2018 for a consideration of Rs. 3,502 Lakhs. The impact of acquisition of this business on the results for the current quarter ended June 30, 2018 is given below.

(Rs. in Lakhs)

Sl. No.	Particulars	3 Months ended June 30, 2018
I	Total Revenue	305
II	Total expenses	727
III	Profit/(loss) before tax (I - II)	(422)
IV	Profit/(loss) after tax (III - IV)	(422)



**SOLARA ACTIVE PHARMA SCIENCES LIMITED**

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

Corp. Office: No 28, Sardar Patel Road, Guindy, Chennai - 600 032

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS**

(Rs. in Lakhs except as otherwise stated)

**Notes:****5 Discontinued operations:**

On May 19, 2018, the Board of Directors of the Company have approved for disposal of business operations at Mahad facility. This business unit was part of the Human API business acquired from Sequent under the Composite Scheme of Arrangement referred in Note 3(i) above. The results of this business unit included in the discontinued operations for the respective periods is disclosed below:

**Results of discontinued operations:**

(Rs. in Lakhs)

Sl. No.	Particulars	3 Months ended June 30, 2018	Previous financial year ended March 31, 2018
I	Total Revenue	1,450	3,944
II	Total expenses	2,118	4,507
III	Profit/(loss) before tax (I - II)	(668)	(563)
IV	Tax expense	-	-
V	Profit/(loss) from discontinued operations (III - IV)	(668)	(563)

- 6 On May 19, 2018, the Board of Directors of the Company have approved for investment by the Company in Strides Chemicals Private Limited, subject to obtaining approvals from the shareholders.
- 7 Effective April 1, 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018 (the "transition date"). The application of Ind AS 115 has resulted in decrease in retained earnings as at the transition date in respect of contracts that were not completed as at the said date by Rs. 940 Lakhs. Pursuant to the application of Ind AS 115 for the period ended June 30, 2018, net profit after tax is higher by Rs. 259 Lakhs vis-a-vis the amounts if replaced standards were applicable. Under the cumulative-up approach, the comparatives for the previous periods reported are not required to be restated and hence not comparable.
- 8 The Company's operations relate to only one reportable segment viz Active Pharmaceutical Ingredient (API). Accordingly no separate disclosure of segment information is required.
- 9 Previous period figures have been regrouped to conform with the classification adopted in these financial results.

For and on behalf of board

  
Nish Devendra  
Managing DirectorPlace : Bengaluru  
Date : August 3, 2018

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

### TO THE BOARD OF DIRECTORS OF SOLARA ACTIVE PHARMA SCIENCES LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **SOLARA ACTIVE PHARMA SCIENCES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the Quarter ended June 30, 2018 ("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 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 Parent and the following subsidiaries:

Sl. No.	Name of the entities
1	Chemsynth Laboratories Private Limited
2	Sequent Penems Private Limited
3	Shasun USA Inc.

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4. The consolidated financial results includes the interim financial information of 3 subsidiaries which have not been audited / reviewed by their auditors, whose interim financial results reflect total revenues of Rs. 16.65 Lakhs for the quarter ended June 30, 2018, and total loss after tax of Rs. 4.09 Lakhs and total comprehensive loss of Rs. 4.09 Lakhs for the quarter ended June 30, 2018, as considered in the consolidated unaudited financial results. These interim financial information of such subsidiaries 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 such interim financial information. In our view and as per the explanations given to us by the Management, these are not material to the Group.
5. 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, read with Note 2 of the accompanying Statement, 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.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Sathya P. Koushik**  
Partner  
Membership No. 206920

BENGALURU, August 3, 2018





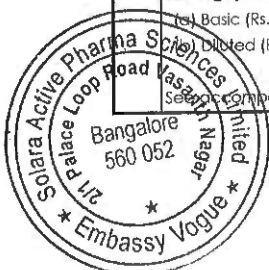
**SOLARA ACTIVE PHARMA SCIENCES LIMITED**  
 Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.  
 Corp. Office: No 28, Sardar Patel Road, Guindy, Chennai - 600 032

**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
 FOR THE QUARTER ENDED JUNE 30, 2018**

(Rs. In Lakhs except as otherwise stated)

Sl. No.	Particulars	3 Months ended	Previous financial
		June 30, 2018	year ended March 31, 2018
		UNAUDITED	AUDITED (Refer note 2)
	<b>Continuing operations</b>		
I	Revenue from operations	30,281	52,097
II	Other income	48	245
III	<b>Total Income (I + II)</b>	<b>30,329</b>	<b>52,342</b>
IV	<b>Expenses</b>		
	(a) Cost of materials consumed	18,157	27,420
	(b) Purchases of stock-in-trade	86	405
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3,059)	(644)
	(d) Employee benefits expense	4,275	6,751
	(e) Finance costs	1,822	2,514
	(f) Depreciation and amortisation expense	1,911	3,398
	(g) Other expenses	6,212	11,915
	<b>Total expenses (IV)</b>	<b>29,404</b>	<b>51,759</b>
V	<b>Profit/(loss) before exceptional items and tax (III - IV)</b>	<b>925</b>	<b>583</b>
VI	<b>Tax expense</b>		
	- Current tax	206	145
	- Deferred tax	(206)	(159)
	<b>Total tax expense (VI)</b>	<b>-</b>	<b>(14)</b>
VII	<b>Profit/(loss) after tax from continuing operations (V - VI)</b>	<b>925</b>	<b>597</b>
	<b>Discontinued operations</b>		
	- Profit/(loss) from discontinued operations	(668)	(563)
	- Tax expense of discontinued operations	-	-
VIII	<b>Profit/(loss) after tax from discontinued operations</b>	<b>(668)</b>	<b>(563)</b>
IX	<b>Profit/(loss) for the period (VII + VIII)</b>	<b>257</b>	<b>34</b>
X	<b>Other comprehensive income</b>		
A	(i) Items that will not be reclassified to statement of profit and loss	-	(25)
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	-	-
B	(i) Items that may be reclassified to statement of profit and loss	(8)	5
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	-	-
	<b>Total other comprehensive income for the period (X)</b>	<b>(8)</b>	<b>(20)</b>
XI	<b>Total comprehensive income for the period (IX + X)</b>	<b>249</b>	<b>14</b>
	<b>Profit for the year attributable to:</b>		
	- Equity shareholders of the Company	256	38
	- Non-controlling interests	1	(4)
	<b>Other Comprehensive income:</b>		
	- Equity shareholders of the Company	(8)	(20)
	- Non-controlling interests	-	-
	<b>Total Comprehensive income:</b>		
	- Equity shareholders of the Company	248	18
	- Non-controlling interests	1	(4)
	<b>Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)</b>		
	(a) Basic (Rs.)	2.94	5.33
	(b) Diluted (Rs.)	2.94	5.33
	<b>Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)</b>		
	(a) Basic (Rs.)	(2.71)	(5.03)
	(b) Diluted (Rs.)	(2.71)	(5.03)
	<b>Earnings per equity share (face value of Rs. 10/- each) (for total operations)</b>		
	(a) Basic (Rs.)	0.23	0.30
	(b) Diluted (Rs.)	0.23	0.30

See accompanying notes to these Financial Results







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**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER ENDED JUNE 30, 2018**

(Rs. in Lakhs except as otherwise stated)

**Notes:**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on August 3, 2018. The statutory auditors have carried out limited review of the above results for the quarter ended June 30, 2018.
- 2 The Company was incorporated on February 23, 2017 and its first financial year covered the period from February 23, 2017 to March 31, 2018. Further, the Company listed its equity shares on June 25, 2018. Accordingly, since these quarterly financial results for the quarter ending June 30 are prepared for the first time in accordance with Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 (the "Listing Regulations"), the results for the preceeding quarter ended March 31, 2018 and the corresponding quarter ended June 30, 2017 are not presented in these results.
- 3 The results for the financial year ended March 31, 2018 mainly comprises of the results of the following business that were acquired during the previous financial year.

(i) The Company acquired the commodity API business and Human API business wef October 1, 2017 (the Appointed Date) under a Composite Scheme of Arrangement between the Company, Strides Shasun Limited (Strides) and Sequent Scientific Limited (Sequent), which was approved by the NCLT.

In accordance with the terms of the Scheme, the Company allotted 24,674,267 equity shares to the shareholders of Strides and Sequent, as a consideration for the transfer of the above businesses into the Company, in the ratio of 1 equity share of Rs. 10/- each of the Company for every 6 shares of Rs. 10/- each held by the shareholders of Strides, and 1 equity share of Rs. 10/- each of the Company for every 25 shares of Rs. 2/- each held by the shareholders of Sequent, on April 11, 2018, the effect of which was given in the financial statements for the financial year ended March 31, 2018 as on the Appointed Date of the Scheme.

The transfer of the above businesses into the Company during the previous financial year were accounted in accordance with the Ind AS notified under Section 133 of the Act, as on the Appointed Date of the Scheme, as per the requirements of the Scheme.

Upon the Scheme coming into effect, the investments in following entities, held by the respective businesses above, have also been transferred to the Company:

- Chemsynth Laboratories Private Limited, India
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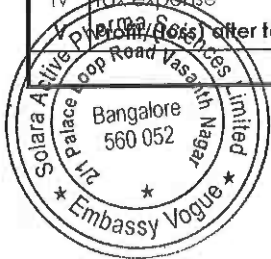
(ii) Acquisition of R&D business from Sovizen Life Sciences Private Limited with effect from February 1, 2018.

**4 R&D business acquisition during the current quarter:**

In accordance with the terms of the Business Purchase Agreement with Strides Shasun Limited (Strides), the Company acquired an R&D business unit at Chennai (Strides API Research Centre) with effect from April 1, 2018 for a consideration of Rs. Rs. 3,502 Lakhs. The impact of acquisition of this business on the results for the current quarter ended June 30, 2018 is given below.

(Rs. in Lakhs)

Sl. No.	Particulars	3 Months ended June 30, 2018
I	Total Revenue	305
II	Total expenses	727
III	<b>Profit/(loss) before tax (I - II)</b>	<b>(422)</b>
IV	Tax expense	-
	<b>Profit/(loss) after tax (III - IV)</b>	<b>(422)</b>





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**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
 FOR THE QUARTER ENDED JUNE 30, 2018**

(Rs. in Lakhs except as otherwise stated)

**5 Discontinued operations:**

On May 19, 2018, the Board of Directors of the Company have approved for disposal of business operations at Mahad facility. This business unit was part of the Human API business acquired from Sequent under the Composite Scheme of Arrangement referred in Note 3(i) above. The results of this business unit included in the discontinued operations for the respective periods is disclosed below:

**Results of discontinued operations:**

(Rs. in Lakhs)

Sl. No.	Particulars	3 Months ended June 30, 2018	Previous financial year ended March 31, 2018
I	Total Revenue	1,450	3,944
II	Total expenses	2,118	4,507
III	<b>Profit/(loss) before tax (I - II)</b>	<b>(668)</b>	<b>(563)</b>
IV	Tax expense	-	-
V	<b>Profit/(loss) from discontinued operations (III - IV)</b>	<b>(668)</b>	<b>(563)</b>

6 On May 19, 2018, the Board of Directors of the Company have approved for investment by the Company in Strides Chemicals Private Limited, subject to obtaining approvals from the shareholders.

7 Effective April 1, 2018, the Group adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method which is applied to contracts that were not completed as of April 1, 2018 (the "transition date"). The application of Ind AS 115 has resulted in decrease in retained earnings as at the transition date in respect of contracts that were not completed as at the said date by Rs. 940 Lakhs. Pursuant to the application of Ind AS 115 for the period ended June 30, 2018, net profit after tax is higher by Rs. 259 Lakhs vis-a-vis the amounts if replaced standards were applicable. Under the cumulative-up approach, the comparatives for the previous periods reported are not required to be restated and hence not comparable.

8 The Group's operations relate to only one reportable segment viz Active Pharmaceutical Ingredient (API). Accordingly no separate disclosure of segment information is required.

**9 Information on Standalone Results:**

Sl. No.	Particulars	3 Months ended June 30, 2018	Previous financial year ended March 31, 2018
I	Total Revenue from continuing operations	30,324	52,325
II	Profit before Tax from continuing operations	966	758
III	Profit after Tax from continuing operations	966	758
IV	Profit/(loss) before Tax from discontinued operations	(668)	(563)
V	Profit/(loss) after Tax from discontinued operations	(668)	(563)

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

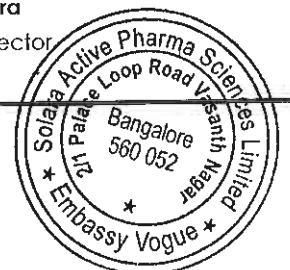
For and on behalf of board

  
 Jitesh Devendra

Managing Director

Place : Bengaluru

Date : August 3, 2018





## Solara announces Q1FY19 Financial Results

*Strong year on year growth of 30% with operating EBITDA up by 66%*

**Bengaluru, India – August 3, 2018:** Solara Active Pharma Sciences Ltd (Solara) (NSE: SOLARA; BSE Code: 541540), a leading Active Pharmaceutical Ingredient provider today announced financial results for the **first quarter (Q1FY19) ended June 30th, 2018.**

The Key Highlights of the quarter are:

Particulars	Q1FY19	Q4FY18	QoQ (%)	Q1FY18	YoY(%)
<b>Revenues</b>	3,033	2,871	6%	2,338	30%
<b>Operating EBITDA</b>	631	492	28%	380	66%
<i>Operating EBITDA margins</i>	20.8%	17.1%	370bps	16.3%	450bps
<b>Reported EBITDA</b>	436	417		399	
<i>Reported EBITDA margins</i>	14.4%	14.5%		17.1%	
PAT	93	92		NA	

**Note:**

1. The financial results above reflect the continuing business operations
2. Q1 FY18 financials are based on proforma financial statements

**Commenting on the results, Jitesh Devendra, MD and CEO** stated that, *“We are pleased with the positive beginnings of the new fiscal under Solara. While registering a strong financial growth over the previous year, we have also grown our business sequentially and have also laid a stable base for expansion. The margin expansion continues to be an area of high priority for us, and I am glad that our efforts are bearing results. He also added “Over the quarter, there has been a significant expansion in the R&D activities and we are confident that the same will generate significant momentum for the growth in the near term “*

**A detailed investor communication is attached on the performance of the company.**

### Earnings Call with Investors

The Company will conduct a one-hour Earnings call at 3 PM IST on August 3rd, 2018 where the Management will discuss the Company’s performance and answer questions from participants. To participate in this conference call, please dial the numbers provided below ten minutes ahead of the scheduled start time. The dial-in numbers for this call are +91 022 62801346 or +91 022 71158247. Other numbers are listed in the conference call invite which is posted on our website. Please note that the transcript of the conference call will be uploaded on the Company website in due course.

**EBITDA Reconciliation:**

INR Mn

	Q1FY19
SEBI Results	Column 1
Profit/(loss) before exceptional items and tax as per SEBI reporting	93
Less: Interest, Dividend income, Gain on sale of securities	1
Add : Depreciation and Amortization and Finance costs	373
Less: Forex loss regrouped under Finance costs as per Ind AS	29
<b>Consolidated Reported EBITDA as per press release</b>	<b>436</b>

**About Solara**

Solara Active Pharma Sciences Ltd (BSE-541540, NSE-SOLARA) headquartered in Chennai, India offers a basket of diversified, high-value Commercial APIs and Contract manufacturing services in over 40 countries. It has a manufacturing base comprising four globally compliant API facilities, with approvals including the USFDA, EU GMP and PMDA in Japan.

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*Disclaimer: Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements Solara Active Pharma Sciences Ltd will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.*

# Pure play APIs.

**SOLARA ACTIVE PHARMA SCIENCES**

*Q1 FY19 Performance review | August 2018*



# Solara at a glance



API only business model with large scale infrastructure, wide products and established customer relationships

## Capabilities

Complex chemistry capabilities including handling of catalytic hydrogenation, hydride reductions, organometallic reactions, hazardous reactions amongst others



## Infrastructure

5 Globally compliant API and diversified facilities with capacity over 1600kl



## Orientation

Consciously favoring value over volumes thereby limiting pricing pressure in the long term and creating capacities after assuring demand



## Research

Pipeline of 20+ products under different stages of development



## Market Presence

Presence in 40+ countries, 75%+ regulated market sales and 100+ Filings



## Compliance

Commitment to highest levels of compliance, consistency and quality with zero 483s in last 2 USFDA audits



# Key Highlights for Q1FY19



*"We are pleased with the positive beginnings of the new fiscal under Solara. While registering a strong financial growth over the previous year, we have also grown our business sequentially and have also laid a stable base for expansion. The margin expansion continues to be an area of high priority for us, and I am glad that our efforts are bearing results. Over the quarter, there has been a significant expansion in the R&D activities and we are confident that the same will generate significant momentum for the growth in the near term"*

**Jitesh Devendra**  
MD and CEO

## Financial Update(QoQ)<sup>1</sup>

- Total Revenue was ₹ 3,033 Mn for Q1FY19 as compared to ₹2,871 Mn during Q4FY18, an increase of 6%
- Operating EBITDA stood at ₹631 Mn for Q1FY19 as compared to ₹492 Mn during Q4FY18, an increase of 28%
- Operating EBITDA Margin at 20.8% for Q1FY19 as against 17.1% in Q4FY18
- PAT at Q1FY19 stood at ₹93 Mn as compared to ₹92 Mn in Q4FY18

## Corporate developments

- Listing of equity shares of the company on the NSE and BSE
- Successful integration of newly acquired API R&D facility in Chennai

## Business Update

- Sales was primarily driven by a strong performance in Regulated market where we have a focus market strategy
- R&D Spend was ₹97 Mn for Q1FY19 as compared to ₹28 Mn during Q4FY18, the increased spend in R&D is in line with Company's strategy to scale up products for the future growth.
- Launched two new products - One in Regulated market and One in RoW.



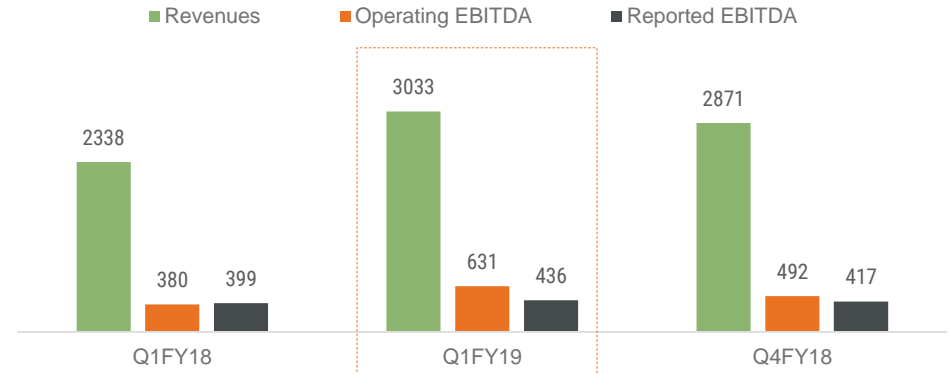
# Q1FY19 Performance - QoQ



## Financial Highlights

Particulars	Q1 FY19	Q4 FY18	Change
Revenue	3,033	2,871	6%
Operating EBITDA	631	492	28%
Operating EBITDA Margins	20.8%	17.1%	370bps
R&D Cost	(97)	(28)	
Forex gain/(Loss)	(98)	(47)	
Reported EBITDA	436	417	
Reported EBITDA Margins	14.4%	14.5%	

## Quarterly Trend



## Key Highlights

- » From a geography standpoint, the regulated markets contributed 78% of sales for the quarter and was 5% up QoQ. ROW contributed 22% of sales for the quarter and grew 7% QoQ driven by improved supplies
- » R&D spent increased on expected lines as the R&D programs gain momentum
- » One off forex impact negatively affected the reported EBITDA

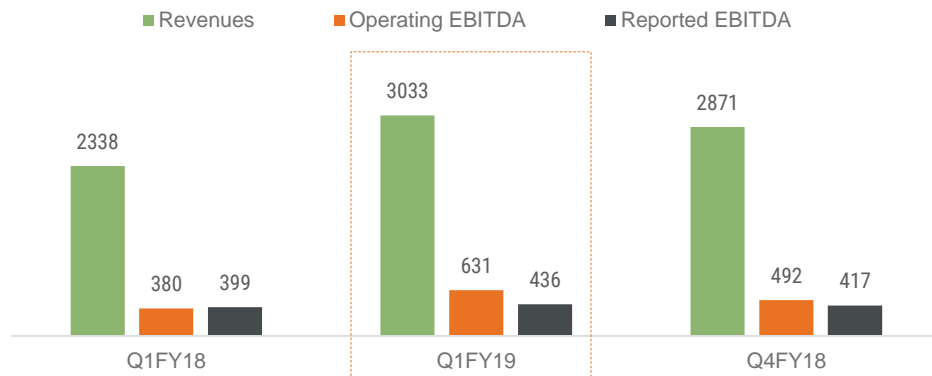
# Q1FY19 Performance - YoY



## Financial Highlights

Particulars	Q1 FY19	Q1 FY18	Change
Revenue	3,033	2,338	30%
Operating EBITDA	631	380	66%
Operating EBITDA Margins	20.8%	16.3%	450bps
R&D Cost	(97)	-	
Forex gain/(Loss)	(98)	19	
Reported EBITDA	436	399	
Reported EBITDA Margins	14.4%	17.1%	

## Quarterly Trend



## Key Highlights

- » R&D spent increased on expected lines as the R&D programs gain momentum
- » One off forex impact negatively affected the reported EBITDA

# Solara- 5 years perspective



## Business Continuity

Portfolio of new products and new customers to augment current base and enable steady growth



## Worldwide Presence

Established strongholds in key regulated markets and growth territories



## Robust Product base

Constant stream of revenue from new product validations



## Best Customer Connect

Organization Focus to win with customer delight as the primary goal



**Well on its path to become a leading pure-play API company with focus on highly compliant business operations and customer advocacy**

# FY18 Recap



## Q4FY18 Review

Particulars	FY18 Proforma	FY17 Proforma	Change
Revenue	11,215	9,463	18.5%
Operating EBITDA	1,537	1,186	29.6%
Operating EBITDA Margins	13.7%	12.5%	
R&D Cost	-101	-	0.0%
Exchange gain/(loss)	2	51	-95.8%
EBITDA	1,438	1,237	16.2%
EBITDA Margins	12.8%	13.1%	

## Key Balance Items

Balance sheet items	Value in ₹m
Shareholders' funds	7,640
Less: Goodwill	-3,634
<b>Net worth</b>	<b>4,006</b>
Term Loan	3,027
Working Capital	3,302
Less: Cash	-470
<b>Net Borrowings</b>	<b>5,859</b>
Tangible Assets	6,981
Intangible Assets	1,008
<b>Total Assets</b>	<b>7,988</b>

## Key Highlights

- » Fiscal ended with a stellar growth of 18.5% and in building Solara as one of the leading API companies with pureplay API focus
- » The Company expanded its operating EBITDA from ₹1,186mn to ₹1,537mn registering a robust 30% growth in absolute terms
- » The investments in R&D accounted to ₹101mn. These investments are pivotal for company's play in the next orbit of growth with new products and pipeline
- » Company's net debt to EBITDA stood at 4.08 while its asset turns improved to 1.40x

**THANK YOU.**

[www.solara.co.in](http://www.solara.co.in)

