

**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 Interim Statement of Standalone Unaudited Financial Results of **SOLARA ACTIVE PHARMA SCIENCES LIMITED** ("the Company") for the quarter and nine months ended December 31, 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

**CHENNAI, January 31, 2019**



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

**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS  
 FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018**

(Rs. In Lakhs except per share data)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Year to date figures for current period ended	Previous Financial Year ended
		31.12.2018	30.09.2018	31.12.2018	31.03.2018
		UNAUDITED	UNAUDITED	UNAUDITED	AUDITED (Refer note 3)
	<b>Continuing operations</b>				
I	Revenue from operations	34,794	33,641	98,716	52,097
II	Other income	252	21	316	228
III	<b>Total Income (I + II)</b>	<b>35,046</b>	<b>33,662</b>	<b>99,032</b>	<b>52,325</b>
IV	<b>Expenses</b>				
	(a) Cost of materials consumed	18,527	17,364	54,048	27,415
	(b) Purchases of stock-in-trade	445	126	657	405
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,616)	(149)	(4,824)	(644)
	(d) Employee benefits expense	4,652	4,521	13,410	6,654
	(e) Finance costs	2,254	1,994	6,070	2,513
	(f) Depreciation and amortisation expense	1,960	1,878	5,741	3,383
	(g) Other expenses	6,385	7,008	19,605	11,841
	<b>Total expenses (IV)</b>	<b>32,607</b>	<b>32,742</b>	<b>94,707</b>	<b>51,567</b>
V	<b>Profit/(loss) before tax (III - IV)</b>	<b>2,439</b>	<b>920</b>	<b>4,325</b>	<b>758</b>
VI	<b>Tax expense</b>				
	- Current tax	560	190	956	159
	- Deferred tax	(560)	(127)	(893)	(159)
	<b>Total tax expense (VI)</b>	<b>-</b>	<b>63</b>	<b>63</b>	<b>-</b>
VII	<b>Profit/(loss) after tax from continuing operations (V - VI)</b>	<b>2,439</b>	<b>857</b>	<b>4,262</b>	<b>758</b>
	<b>Discontinued operations</b>				
	- Profit/(loss) from discontinued operations (Refer Note 4)	-	(100)	(768)	(563)
	- Tax expense of discontinued operations	-	-	-	-
VIII	<b>Profit/(loss) after tax from discontinued operations</b>	<b>-</b>	<b>(100)</b>	<b>(768)</b>	<b>(563)</b>
IX	<b>Profit/(loss) for the period (VII + VIII)</b>	<b>2,439</b>	<b>757</b>	<b>3,494</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>-</b>	<b>-</b>	<b>(25)</b>
XI	<b>Total comprehensive income for the period (IX + X)</b>	<b>2,439</b>	<b>757</b>	<b>3,494</b>	<b>170</b>
	<b>Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)</b>				
	(a) Basic (Rs.)	9.89	3.47	15.39	6.77
	(b) Diluted (Rs.)	9.88	3.47	15.38	6.77
	<b>Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)</b>				
	(a) Basic (Rs.)	-	(0.40)	(3.11)	(5.03)
	(b) Diluted (Rs.)	-	(0.40)	(3.11)	(5.03)
	<b>Earnings per equity share (face value of Rs. 10/- each) (for total operations)</b>				
	(a) Basic (Rs.)	9.89	3.07	12.28	1.74
	(b) Diluted (Rs.)	9.88	3.07	12.27	1.74

See 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**  
**FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018**

**Notes:**

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 31, 2019. The above results for the quarter ended and nine months ended December 31, 2018 has been subjected to limited review by Deloitte Haskins & Sells LLP, the statutory auditor of the Company. The report of the statutory auditor is unqualified.
- 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 27, 2018. Accordingly, as the financial results for the quarter ended June 30, 2018 were the first time the financial results were prepared 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 corresponding quarter and nine months ended December 31, 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 and may not be comparable to the results of the quarter ended and nine month ended December 31, 2018
  - (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:  
 ChemsynH Laboratories Private Limited, India  
 Sequent Penems Private Limited, India  
 Shasun USA Inc, USA

During the quarter ended September 30, 2018, the initial accounting in respect of deferred tax on brought forward losses from this business acquisition has been finalised. Pursuant to this finalisation of initial accounting, the Company has restated the balance sheet as at March 31, 2018 in accordance with Ind AS 103 'Business Combinations', as a result of which, the deferred tax liability and goodwill as at March 31, 2018 have been reduced by Rs. 483 Lakhs pursuant to this adjustment.
  - (ii) Acquisition of R&D business from Sovizen Life Sciences Private Limited with effect from February 1, 2018.
- 4 **Discontinued operations:**  
 On May 19, 2018, the Board of Directors of the Company had approved the disposal of business operations at Mahad facility. On July 31, 2018, the company completed the disposal of Mahad facility. The results of the discontinued operations are as under.

(Rs. In Lakhs)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Year to date figures for current period ended	Previous Financial Year ended
		31.12.2018	30.09.2018	31.12.2018	31.03.2018
I	Total Revenue	-	964	2,414	3,944
II	Total expenses	-	1,064	3,182	4,507
III	<b>Profit/(loss) before tax (I - II)</b>	-	<b>(100)</b>	<b>(768)</b>	<b>(563)</b>
IV	Tax expense	-	-	-	-
V	<b>Profit/(loss) from discontinued operations (III - IV)</b>	-	<b>(100)</b>	<b>(768)</b>	<b>(563)</b>

- 5 Effective April 1, 2018, the Company 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. Under the cumulative catch-up approach, the comparatives for the previous periods reported are not required to be restated and hence not comparable.
- 6 The Board of Directors, in their meeting held on January 31, 2019 have approved for the issue of warrants to the Promoters of the Company and to a private equity investor subject to approval by the shareholders of the Company. The issue size would aggregate to Rs 46,000 Lakhs, comprising of infusion of Rs 26,000 Lakhs by the existing promoters of the Company at Rs 400 per warrant and Rs 20,000 Lakhs by a private equity investor at Rs 500 per warrant. Each of these warrants will be convertible to one equity share of Rs. 10 each. The terms of conversion and the price at which the warrants are proposed to be issued are in accordance with the SEBI Guidelines in this regard. The Company is also in the process of increasing its authorized share capital.
- 7 In the annual general meeting of the Company held on September 28, 2018, the shareholders approved the Solara Employee Stock Option Plan, 2018 to create and grant from time to time in one or more tranches, options not exceeding 1,232,000 to employees as determined by the Board of Directors and the Nomination and Remuneration Committee. During the current quarter, pursuant to the approval of Nomination and Remuneration Committee, 8,45,000 number of options were granted to the eligible employees.
- 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.

Place : Chennai  
 Date : January 31, 2019

For and on behalf of the Board  
  
 Anil Deventia  
 Managing Director  


## 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 and nine months ended December 31, 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	Strides Chemicals Private Limited
2	Sequent Penems Private Limited
3	Chemsynth Laboratories Private Limited
4	Shasun USA Inc.





4. We did not review the interim financial results of 1 subsidiary included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 1,137 Lakhs and Rs. 1,863 Lakhs for the quarter and nine months ended December 31, 2018 respectively, total loss after tax of Rs. 188 Lakhs for the quarter ended December 31, 2018 and Rs. 5 Lakhs for the nine months ended December 31, 2018 and total comprehensive loss of Rs.188 Lakhs for the quarter ended December 31, 2018 and Rs. 5 Lakhs for the nine months ended December 31, 2018, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditor whose report has 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 this subsidiary, is based solely on the report of the other auditor.
5. The consolidated unaudited 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. 17 Lakhs and Rs. 50 Lakhs for the quarter and nine months ended December 31, 2018 respectively, total loss after tax of Rs. 69 Lakhs and Rs. 172 Lakhs for the quarter and nine months ended December 31, 2018 respectively and total comprehensive income of Rs. 69 Lakhs and Rs. 172 Lakhs for the quarter and nine months ended December 31, 2018 respectively, 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.
6. Based on our review conducted as stated above and based on the consideration of the report of the other auditor referred to in paragraph 4 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

CHENNAI, January 31, 2019



**SOLARA ACTIVE PHARMA SCIENCES LIMITED**  
 Regd. Office: No. 201 Devavrata, Sector 17, Vashi; Navi Mumbai 400 703.  
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**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
 FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018**

(Rs. In Lakhs except per share data)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Year to date figures for current period ended	Previous Financial Year ended
		31.12.2018	30.09.2018	31.12.2018	31.03.2018
		UNAUDITED	UNAUDITED	UNAUDITED	AUDITED (Refer note 3)
	<b>Continuing operations</b>				
I	Revenue from operations	35,623	34,233	1,00,137	52,097
II	Other income	388	139	576	245
III	<b>Total Income (I + II)</b>	<b>36,011</b>	<b>34,372</b>	<b>1,00,713</b>	<b>52,342</b>
IV	<b>Expenses</b>				
	(a) Cost of materials consumed	18,899	17,522	54,577	27,420
	(b) Purchases of stock-in-trade	445	126	657	405
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,789)	(42)	(4,890)	(644)
	(d) Employee benefits expense	4,874	4,605	13,755	6,751
	(e) Finance costs	2,254	1,994	6,070	2,514
	(f) Depreciation and amortisation expense	2,121	1,937	5,969	3,398
	(g) Other expenses	6,997	7,212	20,421	11,915
	<b>Total expenses (IV)</b>	<b>33,801</b>	<b>33,354</b>	<b>96,559</b>	<b>51,759</b>
V	<b>Profit/(loss) before exceptional items and tax (III - IV)</b>	<b>2,210</b>	<b>1,018</b>	<b>4,154</b>	<b>583</b>
VI	<b>Tax expense</b>				
	- Current tax	560	190	956	145
	- Deferred tax	(560)	(127)	(893)	(159)
	<b>Total tax expense (VI)</b>	<b>-</b>	<b>63</b>	<b>63</b>	<b>(14)</b>
VII	<b>Profit/(loss) after tax from continuing operations (V - VI)</b>	<b>2,210</b>	<b>955</b>	<b>4,091</b>	<b>597</b>
	<b>Discontinued operations</b>				
	- Profit/(loss) from discontinued operations (Refer Note 4)	-	(100)	(768)	(563)
	- Tax expense of discontinued operations	-	-	-	-
VIII	<b>Profit/(loss) after tax from discontinued operations</b>	<b>-</b>	<b>(100)</b>	<b>(768)</b>	<b>(563)</b>
IX	<b>Profit/(loss) for the period (VII + VIII)</b>	<b>2,210</b>	<b>855</b>	<b>3,323</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	12	(14)	(11)	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>12</b>	<b>(14)</b>	<b>(11)</b>	<b>(20)</b>
XI	<b>Total comprehensive Income for the period (IX + X)</b>	<b>2,222</b>	<b>841</b>	<b>3,312</b>	<b>14</b>
	<b>Profit for the year attributable to:</b>				
	- Equity shareholders of the Company	2,209	854	3,320	38
	- Non-controlling interests	1	1	3	(4)
	<b>Other Comprehensive Income:</b>				
	- Equity shareholders of the Company	12	(14)	(11)	(20)
	- Non-controlling interests	-	-	-	-
	<b>Total Comprehensive Income:</b>				
	- Equity shareholders of the Company	2,221	840	3,309	18
	- Non-controlling interests	1	1	3	(4)
	<b>Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)</b>				
	(a) Basic (Rs.)	8.96	3.87	14.70	5.33
	(b) Diluted (Rs.)	8.95	3.87	14.69	5.33
	<b>Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)</b>				
	(a) Basic (Rs.)	-	(0.40)	(3.11)	(5.03)
	(b) Diluted (Rs.)	-	(0.40)	(3.11)	(5.03)
	<b>Earnings per equity share (face value of Rs. 10/- each) (for total operations)</b>				
	(a) Basic (Rs.)	8.96	3.47	11.59	0.30
	(b) Diluted (Rs.)	8.95	3.47	11.58	0.30

See accompanying notes to these Financial Results





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**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
 FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018**

**Notes:**

- The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on January 31, 2019. The above results for the quarter ended and nine months ended December 31, 2018 has been subjected to limited review by Deloitte Haskins & Sells LLP, the statutory auditor of the Company. The report of the statutory auditor is unqualified.
- 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 27, 2018. Accordingly, as the financial results for the quarter ended June 30, 2018 were the first time the financial results were prepared 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 corresponding quarter and nine months ended December 31, 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 and may not be comparable to the results of the quarter ended and nine month ended December 31, 2018
  - 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

During the quarter ended September 30, 2018, the initial accounting in respect of deferred tax on brought forward losses from this business acquisition has been finalised. Pursuant to this finalisation of initial accounting, the Company has restated the balance sheet as at March 31, 2018 in accordance with Ind AS 103 'Business Combinations', as a result of which, the deferred tax liability and goodwill as at March 31, 2018 have been reduced by Rs. 483 Lakhs pursuant to this adjustment.

Accordingly the results of the above businesses included in the previous financial year ended March 31, 2018 reflect only from period October 01, 2017 to March 31, 2018.
  - Acquisition of R&D business from Sovizen Life Sciences Private Limited with effect from February 1, 2018.

**4 Discontinued operations:**

On May 19, 2018, the Board of Directors of the Company had approved the disposal of business operations at Mahad facility. On July 31, 2018, the company completed the disposal of Mahad facility. The results of the discontinued operations are as under.

(Rs. in Lakhs)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Year to date figures for current period ended	Previous Financial Year ended
		31.12.2018	30.09.2018	31.12.2018	31.03.2018
I	Total Revenue	-	964	2,414	3,944
II	Total expenses	-	1,064	3,182	4,507
III	<b>Profit/(loss) before tax (I - II)</b>	-	<b>(100)</b>	<b>(768)</b>	<b>(563)</b>
IV	Tax expense	-	-	-	-
V	<b>Profit/(loss) from discontinued operations (III - IV)</b>	-	<b>(100)</b>	<b>(768)</b>	<b>(563)</b>

- On May 19, 2018, the Board of Directors of the Company approved for investment by the Company in Strides Chemicals Private Limited. On August 31, 2018, the Company entered into a share purchase agreement with Strides Pharma Sciences Limited (formerly known as Strides Shasun Limited) and acquired 100% of the investments in Strides Chemicals Private Limited for a consideration of Rs. 13,100 Lakhs. Accordingly, the results of the above business reflect only from period September 01, 2018 onwards. The impact of acquisition of this business on the results is given below:

(Rs. in Lakhs)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Year to date figures for current period ended
		31.12.2018	30.09.2018	31.12.2018
I	Total Revenue	1,137	726	1,863
II	Total expenses	1,325	533	1,858
III	<b>Profit/(loss) before tax (I - II)</b>	<b>(188)</b>	<b>193</b>	<b>5</b>
IV	Tax expense	-	-	-
V	<b>Profit/(loss) after tax (III - IV)</b>	<b>(188)</b>	<b>193</b>	<b>5</b>

As on the date of finalisation of these Consolidated unaudited financial results, the initial accounting for the above business combination has not been finalised. Any consequential changes due to finalisation of initial accounting will be recognised in the subsequent period upon such finalisation. The Board of Directors of the Company in their meeting held on September 28, 2018, have approved a Scheme of Amalgamation of Strides Chemicals Private Limited with the Company from the appointed date of September 1, 2018. The Scheme is subject to necessary regulatory approvals.





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**STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS  
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018**

- 6 The Board of Directors, in their meeting held on January 31, 2019 have approved for the issue of warrants to the Promoters of the Company and to a private equity investor subject to approval by the shareholders of the Company. The issue size would aggregate to Rs 46,000 Lakhs, comprising of infusion of Rs 26,000 Lakhs by the existing promoters of the Company at Rs 400 per warrant and Rs 20,000 Lakhs by a private equity investor at Rs 500 per warrant. Each of these warrants will be convertible to one equity share of Rs. 10 each. The terms of conversion and the price at which the warrants are proposed to be issued are in accordance with the SEBI Guidelines in this regard. The Company is also in the process of increasing its authorized share capital.
- 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. Under the cumulative catch-up approach, the comparatives for the previous periods reported are not required to be restated and hence not comparable.
- 8 In the annual general meeting of the Company held on September 28, 2018, the shareholders approved the Solara Employee Stock Option Plan, 2018 to create and grant from time to time in one or more tranches, options not exceeding 1,232,000 to employees as determined by the Board of Directors and the Nomination and Remuneration Committee. During the current quarter, pursuant to the approval of Nomination and Remuneration Committee, 8,45,000 number of options were granted to the eligible employees.
- 9 The Group's operations relate to only one reportable segment viz Active Pharmaceutical Ingredient (API). Accordingly no separate disclosure of segment information is required.

**10 Information on Standalone Results:**

(Rs. In Lakhs)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Year to date figures for current period ended	Previous Financial Year ended
		31.12.2018	30.09.2018	31.12.2018	31.03.2018
I	Total Revenue from continuing operations	35,046	33,662	99,032	52,325
II	Profit before Tax from continuing operations	2,439	920	4,325	758
III	Profit after Tax from continuing operations	2,439	857	4,262	758
IV	Profit/(loss) before Tax from discontinued operations	-	(100)	(768)	(563)
V	Profit/(loss) after Tax from discontinued operations	-	(100)	(768)	(563)

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

Place : Chennai  
Date : January 31, 2019

For and on behalf of Board

Jitesh Devendra  
Managing Director

