



SOLARA
Active Pharma Sciences

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January 31, 2019

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 following:

Unaudited financial results (standalone and consolidated) of the Company for the quarter and nine months ended December 31, 2018.

A copy of the unaudited financial results (standalone and consolidated) of the Company for the quarter and nine months ended December 31, 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 10.30 a.m. and concluded at 12.45 p.m.

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

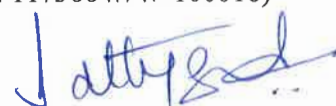
**TO THE BOARD OF DIRECTORS OF
SOLARA ACTIVE PHARMA SCIENCES LIMITED**

1. We have reviewed the accompanying 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, Gulndy, 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)

		3 months ended	Preceding 3 months ended	Year to date figures for current period ended	Previous Financial Year ended
Sl. No.	Particulars	31.12.2018 UNAUDITED	30.09.2018 UNAUDITED	31.12.2018 UNAUDITED	31.03.2018 AUDITED (Refer note 3)
	Continuing operations				
I	Revenue from operations	34,794	33,641	98,716	52,097
II	Other income	252	21	316	228
III	Total Income (I + II)	35,046	33,662	99,032	52,325
IV	Expenses				
	(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
	Total expenses (IV)	32,607	32,742	94,707	51,567
V	Profit/(loss) before tax (III - IV)	2,439	920	4,325	758
VI	Tax expense				
	- Current tax	560	190	956	159
	- Deferred tax	(560)	(127)	(893)	(159)
	Total tax expense (VI)	-	63	63	-
VII	Profit/(loss) after tax from continuing operations (V - VI)	2,439	857	4,262	758
	Discontinued operations				
	- Profit/(loss) from discontinued operations (Refer Note 4)	-	(100)	(768)	(563)
	- Tax expense of discontinued operations	-	-	-	-
VIII	Profit/(loss) after tax from discontinued operations	-	(100)	(768)	(563)
IX	Profit/(loss) for the period (VII + VIII)	2,439	757	3,494	195
X	Other comprehensive income/(loss)				
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	-	-	-	-
	Total other comprehensive income/(loss) for the period (X)	-	-	-	(25)
XI	Total comprehensive income for the period (IX + X)	2,439	757	3,494	170
	Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)				
	(a) Basic (Rs.)	9.89	3.47	15.39	6.77
	(b) Diluted (Rs.)	9.88	3.47	15.38	6.77
	Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)				
	(a) Basic (Rs.)	-	(0.40)	(3.11)	(5.03)
	(b) Diluted (Rs.)	-	(0.40)	(3.11)	(5.03)
	Earnings per equity share (face value of Rs. 10/- each) (for total operations)				
	(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





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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:
 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.
 - (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	Profit/(loss) before tax (I - II)	-	(100)	(768)	(563)
IV	Tax expense	-	-	-	-
V	Profit/(loss) from discontinued operations (III - IV)	-	(100)	(768)	(563)

- 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 Board

Vishesh 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.

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

**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)
	Continuing operations				
I	Revenue from operations	35,623	34,233	1,00,137	52,097
II	Other income	388	139	576	245
III	Total Income (I + II)	36,011	34,372	1,00,713	52,342
IV	Expenses				
	(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
	Total expenses (IV)	33,801	33,354	96,559	51,759
V	Profit/(loss) before exceptional items and tax (III - IV)	2,210	1,018	4,154	583
VI	Tax expense				
	- Current tax	560	190	956	145
	- Deferred tax	(560)	(127)	(893)	(159)
	Total tax expense (VI)	-	63	63	(14)
VII	Profit/(loss) after tax from continuing operations (V - VI)	2,210	955	4,091	597
	Discontinued operations				
	- Profit/(loss) from discontinued operations (Refer Note 4)	-	(100)	(768)	(563)
	- Tax expense of discontinued operations	-	-	-	-
VIII	Profit/(loss) after tax from discontinued operations	-	(100)	(768)	(563)
IX	Profit/(loss) for the period (VII + VIII)	2,210	855	3,323	34
X	Other comprehensive Income				
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	-	-	-	-
	Total other comprehensive Income for the period (X)	12	(14)	(11)	(20)
XI	Total comprehensive Income for the period (IX + X)	2,222	841	3,312	14
	Profit for the year attributable to:				
	- Equity shareholders of the Company	2,209	854	3,320	38
	- Non-controlling interests	1	1	3	(4)
	Other Comprehensive Income:				
	- Equity shareholders of the Company	12	(14)	(11)	(20)
	- Non-controlling interests	-	-	-	-
	Total Comprehensive Income:				
	- Equity shareholders of the Company	2,221	840	3,309	18
	- Non-controlling interests	1	1	3	(4)
	Earnings per equity share (face value of Rs. 10/- each) (for continuing operations)				
	(a) Basic (Rs.)	8.96	3.87	14.70	5.33
	(b) Diluted (Rs.)	8.95	3.87	14.69	5.33
	Earnings per equity share (face value of Rs. 10/- each) (for discontinued operations)				
	(a) Basic (Rs.)	-	(0.40)	(3.11)	(5.03)
	(b) Diluted (Rs.)	-	(0.40)	(3.11)	(5.03)
	Earnings per equity share (face value of Rs. 10/- each) (for total operations)				
	(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	Profit/(loss) before tax (I - II)	-	(100)	(768)	(563)
IV	Tax expense	-	-	-	-
V	Profit/(loss) from discontinued operations (III - IV)	-	(100)	(768)	(563)

- 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	Profit/(loss) before tax (I - II)	(188)	193	5
IV	Tax expense	-	-	-
V	Profit/(loss) after tax (III - IV)	(188)	193	5

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:

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



Solara announces Q3FY19 and 9MFY19 Financial Results

Q3FY19 revenues at ₹3,601 Mn, up by 53%
Q3FY19 Operating EBITDA at ₹757 Mn resulting to 21% margins
9MFY19 revenues at ₹10,071 Mn up by 34% with operating margins of 20%

Chennai, India – January 31, 2019: Solara Active Pharma Sciences Ltd (Solara) (NSE: SOLARA; BSE Code: 541540), a leading Active Pharmaceutical Ingredient provider today announced the financial results for the **third quarter (Q3FY19)** and **nine months ended (9MFY19) December 31st, 2018.**

Commenting on the performance, **Jitesh Devendra, MD and CEO** said “We are pleased to report a stellar performance in this quarter led by encouraging revenue growth and our highest ever operating EBITDA for a quarter. Our strategic progression continues to be exciting with healthy base business expansion through long term contracts and introduction of new products. Overall, we remain confident of our high customer advocacy model driven by supply assurance and continued commitment to quality and compliance”

Financial Highlights for Q3FY19 and 9MFY19

Particulars	Q3FY19	Q2FY19	QoQ	Q3FY18	YoY	9MFY19	9MFY18	Change
Revenue	3,601	3,437	5%	2,361	53%	10,071	7,498	34%
Operating EBITDA	757	669	13%	235	222%	2,057	1,066	93%
Operating EBITDA Margins	21.0%	19.5%	150 bps	10.0%	1100 bps	20.4%	14.2%	620 bps
R&D Cost	-104	-111		-53		-312	-75	
Forex gain/(Loss)	3	-64		47		-129	49	
Reported EBITDA	656	494	33%	229	186%	1,615	1,040	55%
Reported EBITDA Margins	18.2%	14.4%	380 bps	9.7%	850 bps	16.0%	13.9%	210 bps

All values are in ₹ Mn. The financial results above reflect the continuing business operations and 9MFY18 financials are based on proforma financial statements

Business Updates

- Continued momentum in the new products offtakes with steady growth in the base business.
- Improvement in the operating margins primarily driven by the improved price realisations and higher contribution of new products which have better margin profile
- R&D momentum continues with three new USDMFs and costs improvement programs. On track to file 10+ DMFs in the year
- Completed two successive USFDA inspections with zero 483 status at our R&D Centre in Chennai and the manufacturing facility at Ambernath

Corporate Update

The board of directors at their meeting held today also approved an aggregate fundraising of ₹4,600 Mn over a period of 18 months from the Promoters' Group and TPG Growth IV SF Pte. Ltd. (TPG Growth) through allotment of convertible warrants.

The key details are:

- The Promoters' group will infuse an aggregate amount of ₹2,600 Mn for 6.5 Mn warrants at ₹400 per share which is **30%+ premium** over preceding 26 weeks average and **15%+ premium** over preceding 2 weeks average of Solara's Share Price as on the relevant date

- TPG will infuse an aggregate amount of ₹2,000 Mn for 4.0 Mn warrants at ₹500 per share which is **65%+ premium** over preceding 26 weeks average and **45%+ premium** over preceding 2 weeks average of Solara's Share Price as on the relevant date
- TPG will have no special rights or a separate shareholders agreement, however Solara will offer one Board seat to a TPG nominee.
- Solara proposed to utilize the proceeds for setting up a large-scale greenfield manufacturing facility and cater for future growth opportunities with no additional leverage.

The proposed investment by TPG, a leading private equity investor along with the Promoters' Group demonstrates the confidence investors have reposed on Solara from a long-term perspective. This development will accelerate Solara's growth strategy to be amongst the top API companies globally.

EBITDA Reconciliation

Particulars	Q3FY19	Q2FY19	9MFY19
Profit/(loss) before exceptional items and tax as per SEBI reporting (Continuing Operations)	221	102	415
Add : Depreciation and Amortization and Finance costs	438	393	1,204
Less: Interest income	-3	-1	-4
Consolidated Reported EBITDA as per press release	656	494	1,615
<i>All figures in ₹mn for continued operations</i>			

Earnings Call with Investors

The Company will conduct an Earnings call at **3 PM IST on January 31st, 2019** 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 22 6280 1346 or +91 22 7115 8247**. 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.

About Solara

Solara Active Pharma Sciences Ltd (BSE-541540, NSE-SOLARA) headquartered in Bengaluru, India offers a basket of diversified, high-value Commercial APIs and Contract manufacturing services in over 75 countries. It has a manufacturing base comprising five globally compliant API facilities, with approvals including the USFDA, EU GMP and PMDA in Japan.

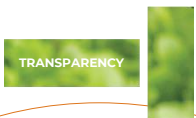
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Disclaimer: Certain statements in this document that are not historical facts are forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, 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.

Q3 & 9MFY19 EARNINGS PREVIEW

THE



WAY



JANUARY 31, 2019



Key Highlights for the quarter



We are pleased to report a stellar performance in this quarter led by encouraging revenue growth and our highest ever operating EBITDA for a quarter. Our strategic progression continues to be exciting with healthy base business expansion through long term contracts and introduction of new products. Overall, we remain confident of our high customer advocacy model driven by supply assurance and continued commitment to quality and compliance

Jitesh Devendra, MD and CEO

Quarterly Update(QoQ)

- Total Revenue was ₹3,601 Mn for Q3FY19 as compared to ₹3,437 Mn in Q2FY19, an increase of 5%.
- Operating EBITDA at ₹757 Mn for Q3FY19 as compared to ₹669 Mn during Q2FY19, an increase of 13%.
- Operating EBITDA Margin came in at 21.0% for Q3FY19 as against 19.5% for Q2FY19.
- Reported EBITDA stood at ₹656 Mn as compared to ₹494 Mn during Q2FY19, an increase of 33%.
- The Reported EBITDA factors R&D spent of ₹104 mn and ₹3 mn forex gain.

Quarterly Update(YoY)

- Total Revenue was ₹3,601 Mn for Q3FY19 as compared to ₹2,361 Mn in Q3FY18, an increase of 53%
- Operating EBITDA at ₹757 Mn jumped significantly by 222% over ₹235 Mn during Q3FY18
- Operating EBITDA Margin came in at 21.0% for Q3FY19 as against 10.0% in the corresponding period of previous financial.
- Reported EBITDA stood at ₹656 Mn as compared to ₹229 Mn during Q3FY18, an increase of 186%

9MFY19 Update(YoY)

- Total Revenue was ₹10,071 Mn for 9MFY19 as compared to ₹7,498 Mn in 9MFY18, an increase of 34%
- Operating EBITDA stood at ₹2,057 Mn as compared to ₹1,066 Mn during 9MFY18, an increase of 93%
- Operating EBITDA Margin at 20.4% for 9MFY19 as against 14.2% in 9MFY18
- Reported EBITDA stood at ₹1,615 Mn as compared to ₹1,040 Mn during 9MFY18, an increase of 55%



Key Business Highlights for the quarter

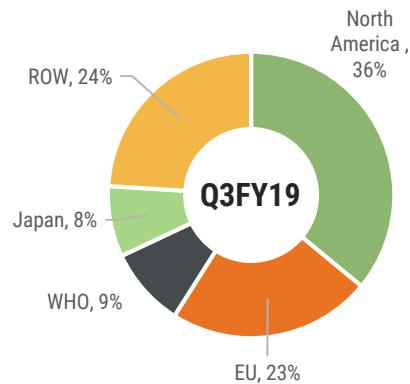
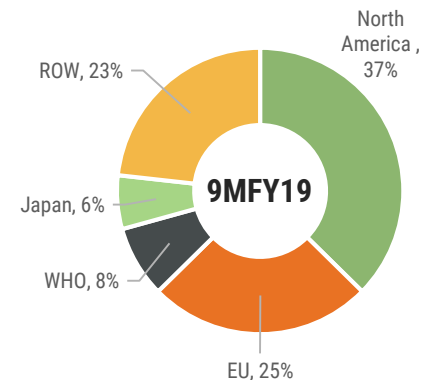
Base Business

- » During Q3FY19, Base business grew by 3% over Q2FY19.
- » Growth in base business emanated from both volume and price.
- » Top 10 Customer account for 55% revenues while Top 10 products account for 78%.

New Products

- » One new product commercialized in Q3FY19 putting together a total of three new products commercialized in the ongoing fiscal.
- » New products accounted for 11% of total revenue in Q3FY19
- » Three new DMFs filed in Q3FY19 and in line with the plan to file 10+ DMFs in the current fiscal

Split by End-Geography





Q3FY19 Performance - QoQ

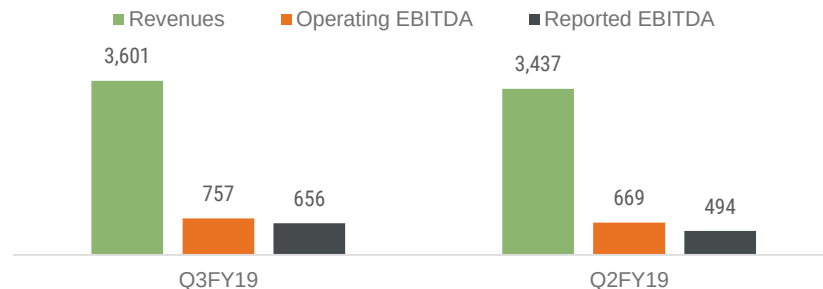
Financial Highlights

Particulars	Q3 FY19	Q2 FY19	QoQ
Revenue	3,601	3,437	5%
Operating EBITDA	757	669	13%
<i>OP EBITDA Margins</i>	<i>21.0%</i>	<i>19.5%</i>	<i>150 bps</i>
R&D Cost	-104	-111	
Forex gain/(Loss)	3	-64	
Reported EBITDA	656	494	33%
<i>Reported EBITDA Margins</i>	<i>18.2%</i>	<i>14.4%</i>	<i>380 bps</i>

Key Updates

- » Continued momentum in the new products offtake with steady growth in the base business
- » Operating margins improved by ~ 150 basis points due to growth in new products and improved price realization
- » R&D efforts on track with focus on new product development and cost improvements.
- » Forex gain of ₹3mn as against loss of ₹64mn in the previous quarter due to our guarded debt strategies. The Working capital PCFC forex loan component has come down from \$38 Mn in March'18 to \$7.5 Mn in Dec'18

Quarterly Trend





Q3FY19 Performance- YoY

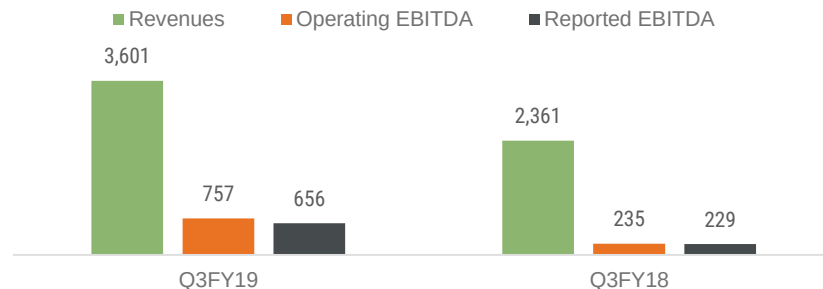
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R&D Cost	-104	-53	
Forex gain/(Loss)	3	47	
Reported EBITDA	656	229	186%
<i>Reported EBITDA Margins</i>	<i>18.2%</i>	<i>9.7%</i>	<i>850 bps</i>

Key Updates

- » Operating EBITDA improvement over previous year on account of new product launches & growth in base business
- » 2x increase in investments in R&D for new product development and cost improvement initiatives

Quarterly Trend





9MFY19 Review

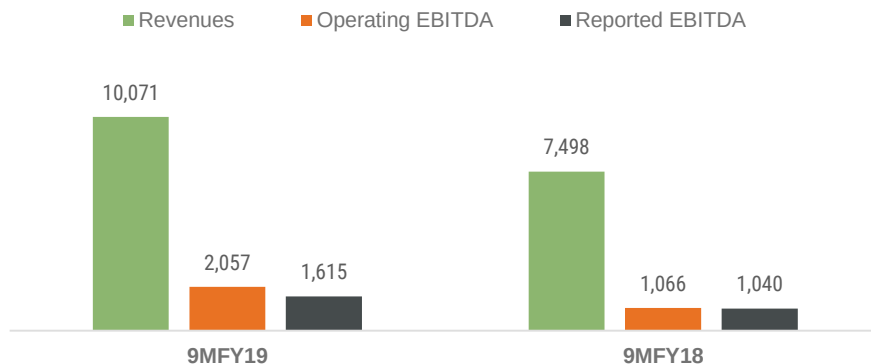
Financial Highlights

Particulars	9MFY19	9MFY18	Change
Revenue	10,071	7,498	34%
Operating EBITDA	2,057	1,066	93%
<i>OP EBITDA Margins</i>	20.4%	14.2%	620 bps
R&D Cost	-312	-75	
Forex gain/(Loss)	-129	49	
Reported EBITDA	1,615	1,040	55%
<i>Reported EBITDA Margins</i>	16.0%	13.9%	210 bps

Key Updates

- » Growth in Revenue by 34% due to continued growth in base business & new product launches.
- » Operating EBITDA up by 93% due to price increase; volume growth and cost improvement program
- » 3x growth in R&D investments to develop new products and product robustness.
- » Filing run-rate anticipated at 10+ APIs/year
- » Debt position as of Dec'18 (Term Loan – ₹ 3,236 Mn and Working capital – ₹ 3,402 Mn)

9M Trend





Corporate Update



The proposed investment by TPG, a leading private equity investor along with the promoter group demonstrates the confidence investors have reposed on Solara from a long-term perspective. This development will accelerate Solara's growth strategy to be amongst the top API companies globally

Jitesh Devendra, MD and CEO

Key Updates

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About Solara

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





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**

Thank you

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