

January 24, 2025

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, 890202

Scrip Code: SOLARA, SOLARAPP

Dear Sir/Madam,

Sub: Outcome of Board Meeting held on January 24, 2025 and Submission of Unaudited Financial Results (Standalone and Consolidated) for the Quarter and Nine months ended December 31, 2024 as per Regulation 30 and 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

We wish to inform that meeting of Board of Directors of Solara Active Pharma Sciences Limited (“Company”) held today (i.e., Friday, the January 24, 2025), the Directors has inter-alia:

- i. **Considered and Approved Unaudited Financial Results (Standalone and Consolidated)** of the Company for the Quarter and Nine months ended December 31, 2024, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which was reviewed by the Audit Committee. A copy of the unaudited financial results (standalone and consolidated) along with the Limited Review Report by the Auditors and press release is attached.

Please note that aforesaid Financial Results will also be available on the Company's website at <https://solara.co.in/investor-relations/financial-information>.

- ii. **Exploring potential demerger of the CRAMS and Polymers business into an independent listed entity.**

The Board of Directors had discussed a proposal to explore ‘demerger of the CRAMS and Polymers business into an independent listed entity’ and granted in-principle approval for the same. The rationale discussed was to enable differentiated and improved focus on this business.

The Board has authorised the Management to undertake preparatory steps required for the potential demerger including appointing of Valuers and other intermediaries for drawing up of the scheme of arrangement which will be placed before the Board.



Communication Address:

Solara Active Pharma Sciences Limited
2nd Floor, Admin Block
27, Vandaloor Kelambakkam Road,
Keelakottaiyur Village, Melakottaiyur (Post)
Chennai – 600 127, India
Tel: +91 44 43446700
Fax: +91 44 47406190
E-mail: investors@solara.co.in
www.solara.co.in

The Company will make appropriate disclosures in accordance with the SEBI Listing Regulations and other applicable laws, post consideration and approval of the matter by the Board.

The Board Meeting commenced at 12:00 pm and concluded at 2.15 pm.

We request you to take the same on record.

Thanking you,
Yours faithfully,

For Solara Active Pharma Sciences Limited

SUDDAPALLI
MURALIKRISHNA

Digitally signed by SUDDAPALLI
MURALIKRISHNA
Date: 2025.01.24 14:17:57 +05'30'

S. Murali Krishna
Company Secretary & Compliance Officer

Encl.: As above

Solara Active Pharma Sciences Limited - CIN: L24230MH2017PLC291636

REGD. OFF: 201, Devavrata, Sector 17, Vashi Navi Mumbai - 400703, India/ Tel: 91-22-2789 2924 / 2789 3199 / Fax: 91-22-2789 2942

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM CONSOLIDATED 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, 2024 ("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 amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's 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 and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of Parent's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Sl. No.	Name of the entities
1	Solara Active Pharma Sciences Limited, the Parent
2	Shasun USA Inc., wholly-owned subsidiary
3	Chemsynth Laboratories Private Limited, subsidiary
4	Sequent Penems Private Limited, wholly-owned subsidiary (up to April 25, 2024)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, 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 amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Deloitte Haskins & Sells LLP

6. The consolidated unaudited financial results includes the interim financial information of 3 subsidiaries which have not been reviewed by their auditors, whose interim financial information reflect total revenue of Rs. Nil and Rs. Nil for the quarter and nine months ended December 31, 2024 respectively, total net loss after tax of Rs. 0.01 crores and Rs. 0.04 crores for the quarter and nine months ended December 31, 2024 respectively and total comprehensive loss of Rs. 0.01 crores and Rs. 0.04 crores for the quarter and nine months ended December 31, 2024 respectively as considered in the Statement.

According to the information and explanations given to us by the Management, these interim financial information are not material to the Group.

Our Conclusion on the Statement is not modified in respect of our reliance on the interim financial information certified by the Management.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Sandeep Ramesh
Kukreja

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Ramesh Kukreja
Date: 2025.01.24 13:47:12 +05'30'

Sandeep Kukreja
(Partner)
(Membership No. 220411)
(UDIN: 25220411BMOQBW4003)

Place: Mumbai
Date: January 24, 2025



SOLARA ACTIVE PHARMA SCIENCES LIMITED
CIN: L24230MH2017PLC291636

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.
Address: 2nd Floor, Admin Block 27, Vandaloor kelambakkam Road, Keelakottaiyur Village, Chennai 400 127

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2024

(Rs. in Crores except per share data)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for the current period ended	Year to date figures for the previous period ended	Previous Financial Year ended
		31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
I	Revenue from operations	300.31	346.95	211.94	1,010.75	989.49	1,288.92
II	Other income	1.49	0.32	0.45	2.37	3.67	5.37
III	Total income (I + II)	301.80	347.27	212.39	1,013.12	993.16	1,294.29
IV	Expenses						
	(a) Cost of materials consumed	143.96	156.93	157.76	437.99	602.27	760.65
	(b) Purchases of stock-in-trade	-	0.70	0.25	0.70	4.95	5.10
	(c) Changes in inventories of finished goods, stock-in-trade and work in progress	(9.10)	14.26	57.51	69.63	37.82	39.27
	(d) Employee benefits expense	51.67	52.71	62.64	159.40	187.91	243.92
	(e) Finance costs	26.54	28.28	25.37	85.69	74.42	105.11
	(f) Depreciation and amortisation expense	24.54	25.34	25.96	74.95	78.08	103.33
	(g) Other expenses	56.10	61.04	95.47	182.12	261.48	335.16
	Total expenses (IV)	293.71	339.26	424.96	1,010.48	1,246.93	1,592.54
V	Profit/(loss) before exceptional items and tax (III - IV)	8.09	8.01	(212.57)	2.64	(253.77)	(298.25)
VI	Exceptional item profit / (loss) (Refer note 6)	-	-	(62.77)	-	(67.99)	(190.17)
VII	Profit/(loss) before tax (V - VI)	8.09	8.01	(275.34)	2.64	(321.76)	(488.42)
VIII	Tax expense						
	- Current tax	-	-	-	-	-	-
	- Deferred tax	-	-	-	-	(10.25)	78.54
	Total tax expense (VIII)	-	-	-	-	(10.25)	78.54
IX	Profit/(loss) for the period (VII - VIII)	8.09	8.01	(275.34)	2.64	(311.51)	(566.96)
X	Other comprehensive income						
A	Items that will not be reclassified subsequently to profit or loss:						
	(i) Remeasurement gains/(losses) of defined benefit plans	-	1.70	-	1.70	0.24	0.56
	(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-
B	Items that may be reclassified to subsequently to profit or loss:						
	(i) Exchange differences on translating the financial statements of foreign operations	(0.07)	(0.02)	(0.04)	(0.10)	(0.05)	(0.07)
	(ii) Income tax relating to items that may be reclassified to statement of profit and loss	-	-	-	-	-	-
	Total other comprehensive income for the period (X)	(0.07)	1.68	(0.04)	1.60	0.19	0.49
XI	Total comprehensive income/(loss) for the period (IX + X)	8.02	9.69	(275.38)	4.24	(311.32)	(566.47)
XII	Profit for the year attributable to:						
	- Equity shareholders of the Company	8.09	8.01	(275.34)	2.64	(312.05)	(567.39)
	- Non-controlling interests	-	-	-	-	0.54	0.43
XIII	Other Comprehensive income attributable to:						
	- Equity shareholders of the Company	(0.07)	1.68	(0.04)	1.60	0.19	0.49
	- Non-controlling interests	-	-	-	-	-	-
XIV	Total Comprehensive income attributable to:						
	- Equity shareholders of the Company	8.02	9.69	(275.38)	4.24	(311.86)	(566.90)
	- Non-controlling interests	-	-	-	-	0.54	0.43
XV	Paid-up equity share capital (face value of Rs. 10/- each)	40.25	40.21	36.00	40.25	36.00	36.00
XVI	Other equity excluding Non-controlling interest	-	-	-	-	-	897.91
	Earnings per equity share (face value of Rs. 10/- each) (not annualised for quarters)						
	(a) Basic (in Rs.)	2.03	2.54	(72.07)	1.07	(81.54)	(148.27)
	(b) Diluted (in Rs.)	2.03	2.54	(72.07)	1.07	(81.54)	(148.27)
	See accompanying notes to the consolidated financial results						





SOLARA ACTIVE PHARMA SCIENCES LIMITED

CIN: L24230MH2017PLC291636

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STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2024

Notes:

- The above consolidated financial results of Solara Active Pharma Sciences Limited ("the Parent" or the "Company") and its subsidiaries (together referred to as "the group") as reviewed by the Audit Committee has been approved by the Board of Directors at its meeting held on January 24, 2025. The results for the quarter and nine months ended December 31, 2024 has been reviewed by Deloitte Haskins & Sells LLP, the statutory auditors of the Company. The statutory auditors of the Company have expressed an unmodified conclusion in respect of limited review for the quarter and nine months ended December 31, 2024.
- These consolidated financial results of the Group have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim financial results", prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ("IND AS") and other accounting principles generally accepted in India and in terms of the guidelines issued by the Securities and Exchange Board of India ("SEBI").
- While the Group has started generating profits for the period ended December 31, 2024, it has accumulated losses of Rs. 313.19 crores and its net current liabilities exceed its net current assets by Rs. 274.81 Crore as of December 31, 2024.

To mitigate the situation and adequately fund its operations, the Parent has received a partial amount of Rs. 157.48 crores out of Rs. 449.95 crores from existing shareholders under the rights issue during the nine months ended December 31, 2024, with the remaining funds of Rs. 292.47 crores to be called as needed. The group expects to renew its working capital facilities, as and when required, in the normal course of business and also increase revenues and margins on its products and accordingly expects to continue to have cash inflows from operations in amounts that are adequate enough to meet all future obligations as they fall due. Based on the above, the Board of directors have approved the preparation of the financial results on a going concern basis.
- The Group's operations relate to only one reportable segment viz Active Pharmaceutical Ingredient (API). Accordingly no separate disclosure of segment information is required.

5 Information on Standalone Financial Results:

(Rs. in Crores)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for the current period ended	Year to date figures for the previous period ended	Previous Financial Year ended
		31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
I	Total Income	301.80	347.27	212.38	1,013.94	993.23	1,294.29
II	Profit/(loss) before tax	8.10	8.02	(275.33)	3.80	(320.72)	(488.33)
III	Profit/(loss) after tax	8.10	8.02	(275.33)	3.80	(310.47)	(566.87)

6 Exceptional item profit / (loss) :

(Rs. in Crores)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for the current period ended	Year to date figures for the previous period ended	Previous Financial Year ended
		31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
I	Write off of Property, plant and equipment	-	-	-	-	-	(2.53)
II	Impairment on assets classified as held for sale	-	-	-	-	(5.22)	(2.33)
III	Exceptional loss on account of fire at Puducherry facility	-	-	(62.77)	-	(62.77)	(62.50)
IV	Write down of inventories relating to Covid/ anti-viral drugs	-	-	-	-	-	(122.81)
	Total	-	-	(62.77)	-	(67.99)	(190.17)

- During the quarter ended December 31, 2023, the group had received claims of Rs. 43.80 crores from two of its related party customers. Pending finalisation of claims, the Parent had accrued for the same under 'Other expenses' in the published results for the quarter ended December 31, 2023. Subsequent to the year ended March 31, 2024, the group had settled these claims by way of a settlement agreement, pursuant to which the figures for the quarter ended December 31, 2023 included in these results have been reclassified to reflect the terms agreed as follows: claims aggregating to Rs. 36.79 crores have been adjusted against 'Revenue from operations' and Rs.7.01 crores has been included under 'Other expenses'.
- The Parent, vide its letter of offer dated May 09, 2024 offered upto 1,19,98,755 Equity shares of face value of Rs.10/- each at a price of Rs. 375/- per Equity share (including Share premium of Rs. 365/- per Equity share) for an amount aggregating Rs. 449.95 crores to the existing share holders of the Parent on right basis in the ratio of One Equity share for every three Equity shares held by the Equity shareholders on the record date i.e May 15, 2024. Rights issue has been done in accordance with Section 62(1)(a) of the Companies Act, 2013 and other applicable laws. The Parent has allotted 1,19,98,755 Nos. of partly paid up equity shares on 19 June, 2024.

Accordingly, the paid-up equity share capital of the Company has increased from Rs. 36,00,52,670/- divided into 3,60,05,267 fully paid up Equity Shares of face value of Rs.10/- each to Rs.40,20,48,313/- divided into 3,60,05,267 fully paid up Equity Shares of face value of Rs.10/- each and 1,19,98,755 partly paid up Equity Shares having face value of Rs. 10/- each with a paid up value of Rs. 3,50/- per share. Pursuant to the Rights issue, earnings per share (EPS) in respect of previous year / periods have been adjusted as per Indian Accounting Standard 33 "Earnings per share", prescribed under Section 133 of the Companies Act, 2013.
- The Board of the Parent Company has approved the transfer of 100% shareholding in Sequent Penems Private Limited, a wholly owned subsidiary, through a circular resolution dated March 22, 2024. The share purchase agreement was executed on March 28, 2024, for a cash consideration of Rs. 12.50 crores and shares were transferred on April 25, 2024.
- The Board of Directors of the Company at its meeting held on January 24, 2025 had discussed a proposal to explore 'demerger of the CRAMS and Polymers business into an independent listed entity' and granted in-principle approval for the same.



For and on behalf of board

POORVANK PUROHIT

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Poorvank Purohit

MD & CEO

DIN: 10158900

Place : Bengaluru

Date : January 24, 2025

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM STANDALONE 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 and nine months ended December 31, 2024 ("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 amended ("the Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's 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 and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, 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 amended, 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)

Sandeep
Ramesh
Kukreja

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Sandeep Ramesh Kukreja
Date: 2025.01.24
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Sandeep Kukreja
(Partner)
(Membership No. 220411)
(UDIN: 25220411BMOQBX1016)

Place: Mumbai
Date: January 24, 2025



SOLARA ACTIVE PHARMA SCIENCES LIMITED
CIN: L24230MH2017PLC291636

Regd. Office: No. 201 Devavrata, Sector 17, Vashi, Navi Mumbai 400 703.
Address: 2nd Floor, Admin Block 27, Vandaloor Kelambakkam Road, Keelakottaiyur Village, Chennai 600 127
STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2024

Notes:

- The above standalone financial results of Solara Active Pharma Sciences Limited ("the Company") as reviewed by the Audit Committee has been approved by the Board of Directors at its meeting held on January 24, 2025. The results for the quarter and nine months ended December 31, 2024 has been reviewed by Deloitte Haskins & Sells LLP, the statutory auditors of the Company. The statutory auditors of the Company have issued unmodified conclusion in respect of the limited review for the quarter and nine months ended December 31, 2024.
- These standalone financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim financial results", prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder ("IND AS") and other accounting principles generally accepted in India and in terms of the guidelines issued by the Securities and Exchange Board of India ("SEBI").
- The Company's operations relate to only one reportable segment viz Active Pharmaceutical Ingredient (API). Accordingly no separate disclosure of segment information is required.
- While the Company has started generating profits for the period ended December 31, 2024, it has accumulated losses of Rs. 310.70 crores and its net current liabilities exceed its net current assets by Rs. 266.06 Crore as of December 31, 2024.

To mitigate the situation and adequately fund its operations, the Company has received a partial amount of Rs. 157.48 crores out of Rs. 449.95 crores from existing shareholders under the rights issue during the nine months ended December 31, 2024, with the remaining funds of Rs. 292.47 crores to be called as needed. The Company expects to renew its working capital facilities, as and when required, in the normal course of business and also increase revenues and margins on its products and accordingly expects to continue to have cash inflows from operations in amounts that are adequate enough to meet all future obligations as they fall due. Based on the above, the Board of directors have approved the preparation of the financial results on a going concern basis.

5 Exceptional item profit / (loss) :

(Rs. In Crores)

Sl. No.	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for the current period ended	Year to date figures for the previous period ended	Previous Financial Year ended
		31.12.2024	30.09.2024	31.12.2023	31.12.2024	31.12.2023	31.03.2024
		UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	UNAUDITED	AUDITED
I	Write off of Property, plant and equipment	-	-	-	-	(2.53)	(2.53)
II	Impairment on investments in Subsidiary	-	-	-	-	(1.02)	(1.80)
III	Exceptional loss on account of fire at Puducherry facility	-	-	(62.77)	-	(62.77)	(62.50)
IV	Write down of inventories relating to Covid/ anti-viral drugs	-	-	-	-	-	(122.81)
		-	-	(62.77)	-	(66.32)	(189.64)

- During the quarter ended December 31, 2023, the Company had received claims of Rs. 43.80 crores from two of its related party customers. Pending finalisation of claims, the Company had accrued for the same under "Other expenses" in the published results for the quarter ended December 31, 2023. Subsequent to the year ended March 31, 2024, the Company had settled these claims by way of a settlement agreement, pursuant to which the figures for the quarter ended December 31, 2023 included in these results have been reclassified to reflect the terms agreed as follows: claims aggregating to Rs. 36.79 crores have been adjusted against 'Revenue from operations' and Rs.7.01 crores has been included under 'Other expenses'.
- The Company, vide its letter of offer dated May 09, 2024 offered upto 1,19,98,755 Equity shares of face value of Rs.10/- each at a price of Rs. 375 per Equity share (including Share premium of Rs. 365 per Equity share) for an amount aggregating Rs. 449.95 crores to the existing share holders of the Company on right basis in the ratio of One Equity share for every three Equity shares held by the Equity shareholders on the record date i.e May 15, 2024. Rights issue has been done in accordance with Section 62(1)(a) of the Companies Act and other applicable laws. The Company has allotted 1,19,98,755 Nos. of partly paid up equity shares on 19 June, 2024.

Accordingly, the paid-up equity share capital of the Company has increased from Rs. 36,00,52,670 divided into 3,60,05,267 fully paid up Equity Shares of face value of Rs.10 each to Rs. 40,20,48,313 divided into 3,60,05,267 fully paid up Equity Shares of face value of Rs.10 each and 1,19,98,755 partly paid up Equity Shares having face value of Rs. 10 each with a paid up value of Rs. 3,50/- per share. Pursuant to the Rights issue, earnings per share (EPS) in respect of previous year / periods have been adjusted as per Indian Accounting Standard 33 "Earnings per share", prescribed under Section 133 of the Companies Act, 2013.
- The Board of the Company has approved the transfer of 100% shareholding in Sequent Penems Private Limited, a wholly owned subsidiary, through a circular resolution dated March 22, 2024. The share purchase agreement was executed on March 28, 2024, for a cash consideration of Rs. 12.50 crores. The Company has a carrying value of investment in this subsidiary of Rs. 14.30 crores. Hence, the Company has accounted for an impairment on the investment in this subsidiary amounting to Rs. 1.80 crores during the previous year ended March 31, 2024. The shares were transferred on April 25, 2024.
- The Board of Directors of the Company at its meeting held on January 24, 2025 had discussed a proposal to explore 'demerger of the CRAMS and Polymers business into an independent listed entity' and granted in-principle approval for the same.



For and on behalf of board

POORVANK PUROHIT

Poorvank Purohit
MD & CEO
DIN: 10158900

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Date: 2025.01.24 13:25:14 +05'30'

Place : Bengaluru
Date: January 24, 2025



SOLARA ACTIVE PHARMA SCIENCES LIMITED
CIN: L24230MH2017PLC291636

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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2024

(Rs. in Crores except per share data)

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I	Revenue from operations	300.31	346.95	211.94	1,010.75	989.49	1,288.92
II	Other income	1.49	0.32	0.44	3.19	3.74	5.37
III	Total income (I + II)	301.80	347.27	212.38	1,013.94	993.23	1,294.29
IV	Expenses						
	(a) Cost of materials consumed	143.96	156.93	157.76	437.99	602.27	760.65
	(b) Purchases of stock-in-trade	-	0.70	0.25	0.70	4.95	5.10
	(c) Changes in inventories of finished goods, stock-in-trade and work in progress	(9.10)	14.26	57.51	69.63	37.82	39.27
	(d) Employee benefits expense	51.67	52.71	62.64	159.40	187.91	243.92
	(e) Finance costs	26.54	28.28	25.37	85.69	75.35	105.97
	(f) Depreciation and amortisation expenses	24.54	25.34	25.96	74.95	77.93	103.03
	(g) Other expenses	56.09	61.03	95.45	181.78	261.40	335.04
	Total expenses (IV)	293.70	339.25	424.94	1,010.14	1,247.63	1,592.98
V	Profit/(loss) before exceptional items and tax (III - IV)	8.10	8.02	(212.56)	3.80	(254.40)	(298.69)
VI	Exceptional item profit / (loss) (Refer note 5)	-	-	(62.77)	-	(66.32)	(189.64)
VII	Profit/(loss) before tax (V - VI)	8.10	8.02	(275.33)	3.80	(320.72)	(488.33)
VIII	Tax expense						
	- Current tax	-	-	-	-	-	-
	- Deferred tax	-	-	-	-	(10.25)	78.54
	Total tax expense (VIII)	-	-	-	-	(10.25)	78.54
IX	Profit/(loss) for the period (VII - VIII)	8.10	8.02	(275.33)	3.80	(310.47)	(566.87)
X	Other comprehensive income						
A	Items that will not be reclassified subsequently to profit or loss:						
	(i) Remeasurement gains/(losses) of defined benefit plans	-	1.70	-	1.70	0.24	0.56
	(ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	-	-	-	-	-	-
B	Items that may be reclassified to subsequently to profit or loss:						
	Income tax relating to items that may be reclassified to statement of profit and loss	-	-	-	-	-	-
	Total other comprehensive income/(loss) for the period (X)	-	1.70	-	1.70	0.24	0.56
XI	Total comprehensive income/(loss) for the period (IX + X)	8.10	9.72	(275.33)	5.50	(310.23)	(566.31)
XII	Paid-up equity share capital (face value of Rs. 10/- each)	40.25	40.21	36.00	40.25	36.00	36.00
XIII	Other equity						901.42
	Earnings per equity share (face value of Rs. 10/- each) (not annualised for quarters)						
	(a) Basic (in Rs.)	2.47	2.11	(72.07)	1.38	(81.26)	(148.38)
	(b) Diluted (in Rs.)	2.47	2.11	(72.07)	1.38	(81.26)	(148.38)
	See accompanying notes to the standalone financial results						



Press Release

Solara Q3'25 performance

- **Gross Margins at 55%; at historical levels**
- **Revenues at INR 3,018 Mn; +21 % YoY**
- **Muted QoQ Revenue growth with a strong focus on margin expansion**
- **EBITDA margins at 19.6%, up by 180 bps QoQ and significant improvement YoY**
- **Maintaining full year FY25 EBITDA guidance of ~INR 2,300 to INR 2,600 Mn**
- **Announces proposal to carve-out CRAMS and Polymer business along with Vizag facility into an independent Company**

Bengaluru, India – Jan 24, 2025: Solara Active Pharma Sciences Ltd (Solara) (NSE: SOLARA; BSE: 541540), a leading Active Pharmaceutical Ingredient / CRAMS company, today announced the financial results for the third quarter (Q3'25)

Financial Performance for Q3'25

Particulars (INR million)	Q3'25	Q2'25	QoQ%	Q3'24	YoY%	9M'25	9M'24	YoY%
Revenue	3,018	3,472	-13%	2,492	21%	10,131	9,931	2%
Gross margins	1,673	1,754	-5%	324		5,048	3,481	45%
<i>Gross margins %</i>	55.4%	50.5%	490 bps	13.0%		49.8%	35.1%	1,480 bps
EBITDA	591	616	-4%	(1,612)		1,629	(1,012)	100+%
<i>EBITDA Margins %</i>	19.6%	17.7%	180 bps	-64.7%		16.1%	-10.2%	
PAT	81	80		(2,753)		26	(3,115)	

Commenting on the financial performance, **Poorvank Purohit, MD & CEO of the Company**, remarked, “We are pleased with our Q3 performance. While our Revenues are muted for the quarter, our relentless focus on profitable growth resulted in Gross margins of 55.4% reaching the historical levels. This initiative includes letting go off certain non-profitable businesses which were bringing down our margin profile.

As an outcome of course correction measures, the Company is pleased to report an improved EBITDA margin of 19.6% inching closer towards the Q4 exit quarter guidance. Our ongoing actions on improving profitability through cost improvement programs, operating cost optimization, enhancing R&D productivity, optimizing working capital and debt will continue to yield benefits.

Our Regulated market revenues continue to be at 76% of total revenues. We are confident in continuing the growth momentum and are on track to continuously improve the quality of our earnings while strengthening our balance sheet.”

More details are given in the Investor presentation.

EBITDA Reconciliation

Particulars (INR million)	Q3'25	Q2'25	Q3'24	9M'25	9M'24	FY24
Profit/(loss) before exceptional items and tax	81	80	(2,126)	26	(2,538)	(2,976)
Add : Finance costs	265	283	254	857	744	1,048
Add: Depreciation and amortisation expense	245	253	260	750	781	1,033
Less: Interest income	-	-	(4)	(4)	(21)	(22)
Consolidated Reported EBITDA as per press release	591	616	(1,616)	1,629	(1,034)	(917)

Earnings Conference Call

The Company will conduct earnings call at **3.30 PM IST on January 24, 2025**, where the Management will discuss the Company's performance and answer questions from participants. To participate in this conference call, please dial the numbers 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**. Please note that the conference call transcript will be uploaded onto 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 73 countries. It has a manufacturing base comprising six 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 are not historical facts and 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.

Solara Q3'25 Performance



- **Gross Margins at 55%; at historical levels**
- **Revenues at INR 3,018 Mn; +21 % YoY**
- **Muted QoQ Revenue growth with a strong focus on margin expansion**
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- **Announces proposal to carve-out CRAMS and Polymer business along with Vizag facility into an independent Company**

Except for the historical information contained herein, statements in this presentation and the subsequent discussions, which include words or phrases such as "will", "aim", "will likely result", "would", "believe", "may", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", seek to", "future", "objective", "goal", "likely", "project", "should", "potential", "will pursue", and similar expressions of such expressions may constitute "forward-looking statements". These forward looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, our growth and expansion plans, obtain regulatory approvals, our provisioning policies, technological changes, investment and business income, cash flow projections, our exposure to market risks as well as other risks. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

Revenues

- ▶ Q3'25 Revenues at **INR 3,018 Mn**; **21%** growth YoY
- ▶ Revenues were down QoQ due to increased competition on Ibuprofen range of products and consequent to high focus on margin expansion thereby resulting in an improved Gross margin %
- ▶ Regulated markets contributed 76% of Revenues (66% in Q3'24)

Gross Margins

- ▶ Q3'25 Gross margins at **55.4%**; Significant improvement by 490 bps QoQ, **returning to historical levels.**
- ▶ Improved Gross margins driven by higher Regulated market mix and focus on profitable products

Cost Control Measures

- ▶ Tight control on Operating Costs
- ▶ Operating Costs at INR 1,082 Mn in Q3'25; **down by INR 379 Mn YoY** and **INR 56 Mn QoQ**

EBITDA

- ▶ Q3'25 EBITDA at **INR 591 Mn**; grown by 137% YoY and -4% QoQ;
- ▶ Q3'25 EBITDA margins at **19.6%**; Significant improvement of 180 bps QoQ, EBITDA expansion driven by improved Gross margins and tight control on Operating costs.
- ▶ EBITDA is **trending positively** towards the company's guided exit Q4 run-rate of 20-22%

Debt

- ▶ During 9M'25, we reduced our Gross debt from INR 9,994 Mn to INR 8,060 Mn; a reduction of INR 1,934 Mn
- ▶ Q3'25 annualised Net Debt to EBITDA (adjusted for the uncalled Rights issue) is at **~2.4 times.**

Compliance Updates

- ▶ 11 market extensions completed in Q3'25
- ▶ 6 key product approvals received in Q3'25

Performance (INR In Million)

Particulars	Q3'25	Q2'25	QoQ%	Q3'24	YoY%
Revenue	3,018	3,472	-13%	2,492	21%
Gross margins	1,673	1,754	-5%	324	
Gross margins %	55.4%	50.5%	490 bps	13.0%	
Operating costs	1,082	1,138	-5%	1,936	-44%
EBITDA	591	616	-4%	(1,612)	
EBITDA Margins %	19.6%	17.7%	180 bps	-64.7%	
PAT	81	80		(2,753)	

Reducing Operating costs

Gross Margins at historical levels

PAT positive

EBITDA margins trending positively towards the guidance



Poorvank Purohit,
MD & CEO

We are pleased with our Q3 performance. While our Revenues are muted for the quarter, our relentless focus on profitable growth resulted in Gross margins of 55.4% reaching the historical levels. This initiative includes letting go off certain non-profitable businesses which were bringing down our margin profile.

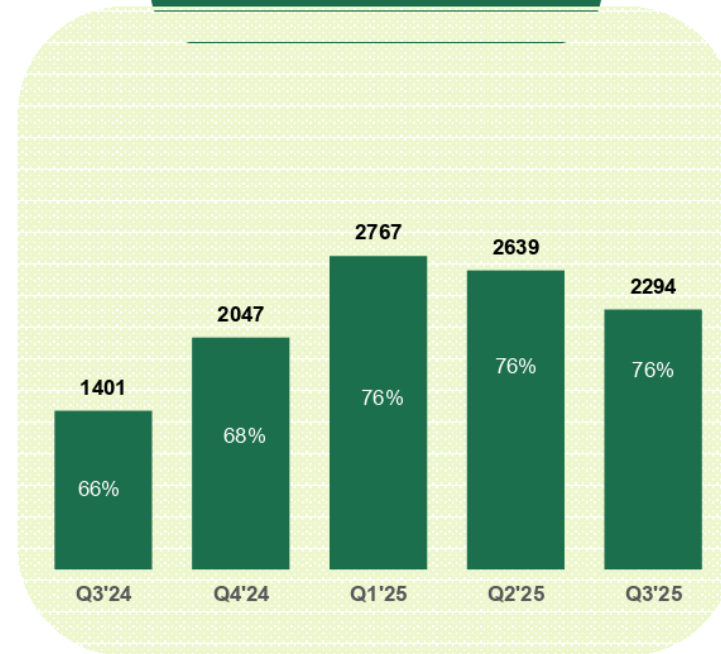
As an outcome of course correction measures, the Company is pleased to report an improved EBITDA margin of 19.6% inching closer towards the Q4 exit quarter guidance. Our ongoing actions on improving profitability through cost improvement programs, operating cost optimization, enhancing R&D productivity, optimizing working capital and debt will continue to yield benefits.

Our Regulated market revenues continue to be at 76% of total revenues. We are confident in continuing the growth momentum and are on track to continuously improve the quality of our earnings while strengthening our balance sheet.

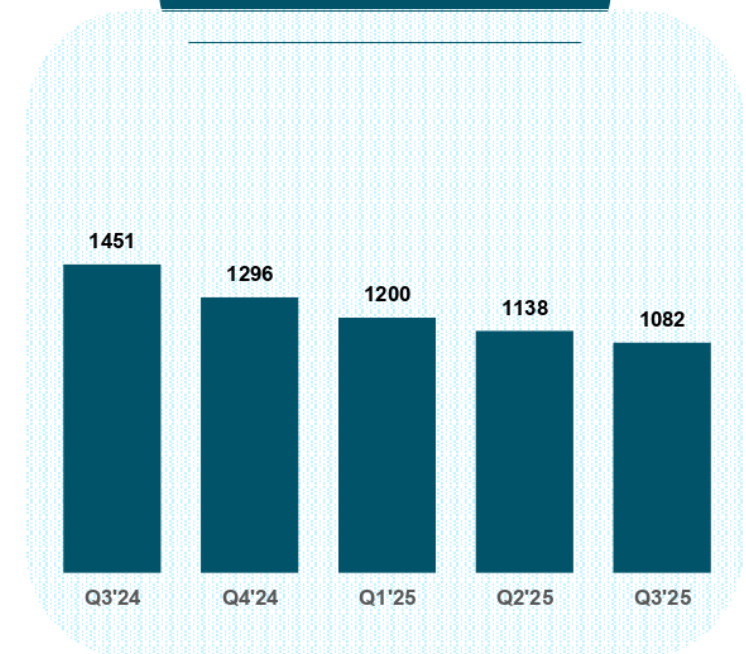
Revenues (INR Million) and Gross Margins (%)



Regulated Market Revenues (INR Million)



Operating Cost (INR Million)



- Improved margin profile on account of profitable products.
- Improved quality of earnings over the last four quarters with more focus on Regulated markets.
- Optimum product mix and customer mix with sustained Regulated Market revenues at 76% of total Revenues.
- Focus on Cost control and Cost Improvement programs through alternate vendors to achieve improved COGS.
- Significant operating cost reduction over the last four quarters leading to opex leverage.

Q3'25 QoQ and YoY Performance (INR In Million)

Particulars	Q3'25	Q2'25	Change	Q3'24	Change
Revenue	3,018	3,472	-13%	2,492	21%
Gross Margins	1,673	1,754	-5%	324	
Gross margins %	55.4%	50.5%	490 bps	13.0%	
Operating cost	1,082	1,138	-5%	1,936	-44%
EBITDA	591	616	-4%	(1,612)	100+%
EBITDA Margins %	19.6%	17.7%	180 bps	-64.7%	
Exceptional items (gain)/loss	-	-		627	
Depreciation	245	253		260	
Finance cost (net)	265	283		254	
Tax	-	-		-	
PAT	81	80		(2,753)	

- Regulated market constitutes 76% of our total revenues (Q2'25 - 76%; Q3'24 – 66%)
- Gross margins at 55.4%, up by 490 bps QoQ driven by Product mix change, improved Regulated market mix and our continued focus on profitable products and cost improvement programs.
- EBITDA margins at 19.6%, up by 180 bps QoQ and significant improvement YoY

9M'25 YoY Performance (INR In Million)

Particulars	9M'25	9M'24	Change
Revenue	10,131	9,931	2%
Gross Margins	5,048	3,481	45%
Gross margins %	49.8%	35.1%	1,480 bps
Operating cost	3,419	4,493	-24%
EBITDA	1,629	(1,012)	100+%
EBITDA Margins %	16.1%	-10.2%	
Exceptional items (gain)/loss	-	680	
Depreciation	750	781	
Finance cost (net)	853	744	
Tax	-	(102)	
PAT	26	(3,115)	

- Regulated market constitutes 76% of our total revenues (9M'24 – 70%)
- Gross margins at 49.8% up by 1,480 bps YoY
- EBITDA margins at 16.1% significant improvement YoY
- Our ongoing actions on improving profitability through cost improvement programs, operating cost optimization, enhancing R&D productivity, optimizing working capital and debt will yield benefits in the coming quarters.

FY25 Guidance

9M'25 Performance

Update on FY25 Guidance

Revenue

₹ 15,000m+

₹ 10,131m

Revenue trending lower than guidance due to increased competition on Ibuprofen range of products and the shift of Company's focus to higher margin products

EBITDA

₹ 2,300m-₹ 2,600m

₹ 1,629m

In line with guidance

EBITDA margins

15%-17%

16.1%

In line with guidance

Q4'25 Exit Quarter Revised Guidance

Q3'25 Performance

Revised Q4'25 Exit Quarter Guidance

Revenue

₹ 3,400m- ₹ 3,600m

₹ 3,018m

Revising guidance downwards from INR 4,000 million to INR 3,400 to 3,600 million on account of continued price pressure on Ibuprofen and consequent shift of focus towards profitable higher margin products.

EBITDA

₹ 700m-₹ 800m

₹ 591m

Revising guidance downwards by INR 100 million driven by revised revenue guidance

EBITDA margins

20%-22%

19.6%

In line with guidance

Net Debt to EBITDA

<2.5 times

~2.4 times

In line. The Net Debt to EBITDA (adjusted for the uncalled Rights issue) has significantly improved from ~6 times in FY23 to less than 2.5 times in Q3'25.

Sources of funds (INR In Million)

Particulars	Mar'24	Dec'24
Shareholders' funds	9,339	10,961
Less: Goodwill	-3,651	-3,649
Net worth	5,688	7,312
Term Loan	2,391	1,545
Working capital Loan	7,603	6,515
Gross Debt	9,994	8,060
Total	15,682	15,372

Use of funds (INR In Million)

Particulars	Mar'24	Dec'24
Net Tangible Fixed Assets	11,166	10,857
Net Non-current Assets	1	(142)
Net Current Assets	4,515	4,657
Total	15,682	15,372

Net Debt (INR In Million)

Particulars	Amount (Rs. Mn)
Gross Debt as on 1.4.2024	9,994
Less: Repayment from operations	(748)
Less: Repayment from Rights issue application money	(1,186)
Gross Debt as on 31.12.2024	8,060
Less: Repayment for rest of the year	(247)
Less: Uncalled Rights issue money in which 75% will be used for debt repayment	(2,216)
Net Debt by end of FY25 after adjusting for Uncalled Rights issue money	5,598

- ▶ During the quarter, we reduced our Gross debt from INR 9,994 Mn to INR 8,060 Mn; a reduction of INR 1,934 Mn.
- ▶ Out of the total Rights issue of INR 449.95 Crores, INR 157.48 Crores was received by way of Application money. 75% of the Rights money was obligated to be used for repayment of existing debt. Accordingly, the Company had repaid INR 1,186 Mn towards repayment of existing debt from the Rights issue. The balance amount of debt reduction of INR 748 Mn was repaid from the normal business operations.
- ▶ After adjusting for the uncalled Rights Issue money in which 75% will be used for debt repayment (INR 2,216 Mn), our targeted net debt by end of FY25 will be at ~INR 5,600 Mn.

Adjusted Net Debt to EBITDA (adjusted for the Uncalled Rights issue money) trending at ~ 2.4 times based on Q3'25 EBITDA exit run-rate.



Demerger of the CRAMS and Polymers business from the Generic API business (“Catalog API Business”)

- Subject to Shareholders and other statutory approvals, the Company intends to carve-out the CRAMS and Polymers business, estimated at **INR 1,200 million of FY25 revenues**, from Catalog API business on account of significantly different value drivers for each business.
- This initiative will enable differentiated and improved focus on the newly created business.
- The Company shall invest and **grow this business to size in 4-5 years** thereby unlocking significant shareholder value.
- The Catalog API business will benefit by having a stronger Balance Sheet with the **transfer of INR 2,000 million of debt** to the new Company and a higher ROCE & ROI.
- Consequent to the Rights issue and the restructuring of the business, **the net debt on the Catalog API business will be estimated at INR 3,000 million (estimated Net debt to EBITDA at ~1.5)**
- The existing shareholders of Solara shall receive proportional shareholding in the new Company.
- The technology capabilities built over multiple decades at Solara will provide a head start as we build out the new company.
- The Vizag site will exclusively support the growth of the CRAMS platform.
- **Board has given in-principle approval for the above proposal**

Thank you