



SOLARA
Active Pharma Sciences

Communication Address :
Solara Active Pharma Sciences Limited
Corporate office - 2nd floor, Admin Block
27, Vandaloor Kelambakkam Road,
Keelakottaiyur Village, Melakottaiyur (Post),
Chennai - 600 127, India
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E-mail : info@solara.com
www.solara.co.in

May 29, 2024

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

Please refer our letter dated May 21, 2024, under Regulation 29 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, in continuation we wish to inform that at the meeting of Board of Directors held today (May 29, 2024) the Directors has inter-alia amongst other subject approved the following:

- Audited financial results (standalone and consolidated) of the Company for the quarter and Year ended March 31, 2024, pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. A copy of the audited financial results (standalone and consolidated) for the quarter and year ended March 31, 2024, along with the Auditors report for the said period and press release on the same is attached.
- Mr. R Ramakrishnan, Independent Director is elected as Chairman of the Company.

The Board Meeting commenced at 12.16 p.m. and concluded at 3.15 p.m.

We request you to take the same on record.

Thanking you,
Yours faithfully,
For Solara Active Pharma Sciences Limited

S. Murali Krishna
Company Secretary

Encl.: As above.



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Dear Sir/Madam,

Sub: Declaration pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015
Ref.: Unmodified opinion in the Auditors' Report for the financial year 2023-24

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, we hereby declare that M/s. Deloitte Haskins & Sells LLP, the Statutory Auditors of the Company have issued the Auditors' Report with unmodified opinion in respect to the Audited Financial Results (Standalone and Consolidated) for the financial year ended March 31, 2024.

We request you to take the same on record.

Thanking you,

Yours faithfully,
For Solara Active Pharma Sciences Limited

S. Murali Krishna
Company Secretary

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL CONSOLIDATED FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SOLARA ACTIVE PHARMA SCIENCES LIMITED

Opinion and Conclusion

We have (a) audited the Consolidated Financial Results for the year ended March 31, 2024 and (b) reviewed the Consolidated Financial Results for the quarter ended March 31, 2024 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Audited Consolidated Financial Results for the year ended March 31, 2024 and Unaudited Consolidated Financial Results for the quarter ended March 31, 2024" of **SOLARA ACTIVE PHARMA SCIENCES LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") being submitted by the Parent pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Consolidated Financial Results

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports of the separate financial statements of the subsidiaries referred to in Other Matters section below, the Consolidated Financial Results for the year ended March 31, 2024:

- (i) includes the results of the following entities:

| Sl. No. | Name of the entities |
|---------|---------------------------------------------------------|
| 1 | Solara Active Pharma Sciences Limited, the Parent |
| 2 | Sequent Penems Private Limited, wholly-owned subsidiary |
| 3 | Shasun USA Inc., wholly-owned subsidiary |
| 4 | Chemsynth Laboratories Private Limited, subsidiary |

- (ii) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- (iii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the consolidated net loss and consolidated total comprehensive loss and other financial information of the Group for the year ended March 31, 2024.

(b) Conclusion on Unaudited Consolidated Financial Results for the quarter ended March 31, 2024

With respect to the Consolidated Financial Results for the quarter ended March 31, 2024, based on our review conducted and procedures performed as stated in paragraph (b) of Auditor's Responsibilities section below and based on the consideration of the review reports of the other auditors referred to in Other Matters section below, nothing has come to our attention that causes us to believe that the Consolidated Financial Results for the quarter ended March 31, 2024, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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

Basis for Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2024

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2024 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their reports referred to in Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion.

Management's Responsibilities for the Statement

This Statement, which includes the Consolidated Financial Results is the responsibility of the Parent's Board of Directors and has been approved by them for the issuance. The Consolidated Financial Results for the year ended March 31, 2024, has been compiled from the related audited consolidated financial statements. This responsibility includes the preparation and presentation of the Consolidated Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the consolidated net loss and consolidated other comprehensive income and other financial information of the Group in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards, prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of this Consolidated Financial Results by the Directors of the Parent, as aforesaid.

In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities

(a) Audit of the Consolidated Financial Results for the year ended March 31, 2024

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results for the year ended March 31, 2024 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.

WJ

Deloitte Haskins & Sells LLP

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Consolidated Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Consolidated Financial Results, including the disclosures, and whether the Annual Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Standalone Financial Results/ Financial Information of the entities within the Group to express an opinion on the Annual Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Annual Consolidated Financial Results of which we are the independent auditors. For the other entities included in the Annual Consolidated Financial Results, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Annual Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Consolidated Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Consolidated Financial Results.

WJ

Deloitte Haskins & Sells LLP

We communicate with those charged with governance of the Parent and such other entities included in the Consolidated Financial Results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Consolidated Financial Results for the quarter ended March 31, 2024

We conducted our review of the Consolidated Financial Results for the quarter ended March 31, 2024 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 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 SAs specified under section 143(10) of the Act 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.

The Statement includes the results of the entities as listed under paragraph (a)(i) of Opinion and Conclusion section above.

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.

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report is not modified in respect of this matter.
- We did not audit the financial statements of 3 subsidiaries included in the consolidated financial results, whose financial statements reflect total assets of Rs.19.36 Crores as at March 31, 2024 and total revenues of Rs. NIL for the quarter and year ended March 31, 2024, total net profit /(loss) after tax of Rs. 0.23 Crores and Rs. (2.77) Crores for the quarter and year ended March 31, 2024 respectively and total comprehensive income/(loss) of Rs 0.23 Crores and Rs. (2.77) Crores for the quarter and year ended March 31, 2024 respectively and net cash outflows of Rs.0.06 Crores for the year ended March 31, 2024, as considered in the Statement. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion and conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors and the procedures performed by us as stated under Auditor's Responsibilities section above.

Deloitte Haskins & Sells LLP

Our report on the Statement is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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



Sathya P. Koushik
Partner
(Membership No. 206920)
(UDIN: 24206920BKANYW1866)

Place: Bengaluru
Date: May 29, 2024



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 AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2024
AND UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 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 | Financial Year ended | Previous Financial Year ended |
|---------|------------------------------------------------------------------------------------------------|-----------------|--------------------------|---------------------------------------------------|----------------------|-------------------------------|
| | | 31.03.2024 | 31.12.2023 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| | | (Refer Note 13) | UNAUDITED | (Refer Note 13) | AUDITED | AUDITED |
| I | Revenue from operations | 299.43 | 211.94 | 380.62 | 1,288.92 | 1,443.81 |
| II | Other income | 1.70 | 0.45 | 4.68 | 5.37 | 22.55 |
| III | Total Income (I + II) | 301.13 | 212.39 | 385.30 | 1,294.29 | 1,466.36 |
| IV | Expenses | | | | | |
| | (a) Cost of materials consumed | 158.38 | 157.76 | 195.10 | 760.65 | 773.90 |
| | (b) Purchases of stock-in-trade | 0.15 | 0.25 | 2.77 | 5.10 | 7.88 |
| | (c) Changes in inventories of finished goods, stock-in-trade and work in progress | 1.45 | 57.51 | (5.43) | 39.27 | 7.05 |
| | (d) Employee benefits expense | 56.01 | 62.64 | 60.19 | 243.92 | 228.63 |
| | (e) Finance costs | 30.69 | 25.37 | 21.96 | 105.11 | 90.06 |
| | (f) Depreciation and amortisation expense | 25.25 | 25.96 | 26.45 | 103.33 | 111.19 |
| | (g) Other expenses | 73.68 | 95.47 | 79.23 | 335.16 | 292.47 |
| | Total expenses (IV) | 345.61 | 424.96 | 380.27 | 1,592.54 | 1,511.18 |
| V | Profit/(loss) before exceptional items and tax (III - IV) | (44.48) | (212.57) | 5.03 | (298.25) | (44.82) |
| VI | Exceptional item profit / (loss) (Refer note 7) | (122.18) | (62.77) | - | (190.17) | - |
| VII | Profit/(loss) before tax (V - VI) | (166.66) | (275.34) | 5.03 | (488.42) | (44.82) |
| VIII | Tax expense | | | | | |
| | - Current tax | - | - | (0.56) | - | (0.09) |
| | - Deferred tax (Refer note 10) | 88.79 | - | 1.84 | 78.54 | (22.48) |
| | Total tax expense (VIII) | 88.79 | - | 1.28 | 78.54 | (22.57) |
| IX | Profit/(loss) for the period (VII - VIII) | (255.45) | (275.34) | 3.75 | (566.96) | (22.25) |
| X | Other comprehensive income | | | | | |
| A | Items that will not be reclassified subsequently to profit or loss: | | | | | |
| | (i) Remeasurement gains/(losses) of defined benefit plans | 0.32 | - | (1.04) | 0.56 | (2.70) |
| | (ii) Income tax relating to items that will not be reclassified subsequently to profit or loss | - | - | 0.36 | - | 0.94 |
| B | Items that may be reclassified to subsequently to profit or loss: | | | | | |
| | (i) Exchange differences on translating the financial statements of foreign operations | (0.02) | (0.04) | (0.06) | (0.07) | (0.30) |
| | (ii) Income tax relating to items that may be reclassified to statement of profit and loss | - | - | - | - | - |
| | Total other comprehensive income for the period (X) | 0.30 | (0.04) | (0.74) | 0.49 | (2.06) |
| XI | Total comprehensive income/(loss) for the period (IX + X) | (255.15) | (275.38) | 3.01 | (566.47) | (24.31) |
| XII | Profit for the year attributable to: | | | | | |
| | - Equity shareholders of the Company | (255.34) | (275.34) | 3.76 | (567.39) | (22.18) |
| | - Non-controlling interests | (0.11) | - | (0.01) | 0.43 | (0.07) |
| XIII | Other Comprehensive income attributable to: | | | | | |
| | - Equity shareholders of the Company | 0.30 | (0.04) | (0.74) | 0.49 | (2.06) |
| | - Non-controlling interests | - | - | - | - | - |
| XIV | Total Comprehensive income attributable to: | | | | | |
| | - Equity shareholders of the Company | (255.04) | (275.38) | 3.02 | (566.90) | (24.24) |
| | - Non-controlling interests | (0.11) | - | (0.01) | 0.43 | (0.07) |
| XV | Paid-up equity share capital (face value of Rs. 10/- each) | 36.00 | 36.00 | 36.00 | 36.00 | 36.00 |
| XVI | Other equity excluding Non-controlling interest | | | | 897.91 | 1,464.21 |
| | Earnings per equity share (face value of Rs. 10/- each) (not annualised for quarters) | | | | | |
| | (a) Basic (in Rs.) | (70.93) | (76.49) | 1.05 | (157.62) | (6.16) |
| | (b) Diluted (in Rs.) | (70.93) | (76.49) | 1.05 | (157.62) | (6.16) |
| | See accompanying notes to the consolidated financial results | | | | | |



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STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2024

AND UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2024

CONSOLIDATED BALANCE SHEET

(Rs. In Crores)

| Sl. No. | Particulars | As at March 31, 2024 (AUDITED) | As at March 31, 2023 (AUDITED) |
|-----------|-----------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| A | Assets | | |
| I | Non-current assets | | |
| | (a) Property, plant and equipment | 805.66 | 866.81 |
| | (b) Right of use assets | 52.19 | 53.77 |
| | (c) Capital work in progress | 256.37 | 238.47 |
| | (d) Investment property | 2.39 | 23.94 |
| | (e) Goodwill | 365.09 | 365.09 |
| | (f) Other intangible assets | 42.56 | 54.35 |
| | (g) Financial assets | | |
| | (i) Investments | 1.70 | 1.70 |
| | (ii) Other financial assets | 15.35 | 14.46 |
| | (h) Deferred tax assets (net) | - | 78.56 |
| | (i) Income tax assets (net) | 3.62 | 4.52 |
| | (j) Other non-current assets | 5.28 | 10.07 |
| | Total non-current assets | 1,550.21 | 1,711.74 |
| II | Current assets | | |
| | (a) Inventories | 359.70 | 558.09 |
| | (b) Financial assets | | |
| | (i) Trade receivables | 348.52 | 536.99 |
| | (ii) Cash and cash equivalents | 8.44 | 8.73 |
| | (iii) Bank balances other than (ii) above | 0.16 | 0.16 |
| | (iv) Loans | 0.34 | 32.62 |
| | (v) Other financial assets | 7.42 | 13.23 |
| | (c) Other current assets | 63.49 | 37.72 |
| | (d) Assets classified as held for sale | 12.68 | - |
| | Total current assets | 800.75 | 1,187.54 |
| | Total Assets (I+II) | 2,350.96 | 2,899.28 |
| B | Equity and liabilities | | |
| I | Equity | | |
| | (a) Equity Share capital | 36.00 | 36.00 |
| | (b) Other equity | 897.91 | 1,464.21 |
| | Equity attributable to the owners of the Company | 933.91 | 1,500.21 |
| | Non-controlling interests | 2.67 | 2.24 |
| | Total Equity | 936.58 | 1,502.45 |
| II | Liabilities | | |
| 1 | Non-current liabilities | | |
| | (a) Financial liabilities | | |
| | (i) Borrowings | 105.83 | 235.10 |
| | (ii) Lease liabilities | 11.61 | 11.15 |
| | (iii) Other financial liabilities | 0.42 | 0.42 |
| | (b) Provisions | 10.08 | 10.67 |
| | (c) Other non-current liabilities | 43.59 | 38.36 |
| | Total Non-current liabilities | 171.53 | 295.70 |
| 2 | Current liabilities | | |
| | (a) Financial liabilities | | |
| | (i) Borrowings | 893.55 | 766.05 |
| | (ii) Lease liabilities | 0.51 | 0.55 |
| | (iii) Trade payables | | |
| | - Dues of micro and small enterprises | 10.63 | 11.96 |
| | - Dues of other than micro and small enterprises | 302.38 | 293.90 |
| | (iv) Other financial liabilities | 13.52 | 14.15 |
| | (b) Provisions | 1.97 | 2.08 |
| | (c) Current tax liabilities (net) | 0.01 | 0.01 |
| | (d) Other current liabilities | 20.22 | 12.43 |
| | (e) Liabilities directly associated with assets classified as held for sale | 0.06 | - |
| | Total current liabilities | 1,242.85 | 1,101.13 |
| | Total liabilities | 1,414.38 | 1,396.83 |
| | Total Equity and Liabilities (I+II) | 2,350.96 | 2,899.28 |



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STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2024

AND UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 31, 2024

CONSOLIDATED STATEMENT OF CASH FLOWS

(Rs. In Crores)

| Sl. No. | Particulars | For the year ended | For the year ended |
|----------|----------------------------------------------------------------------------------------------------------|--------------------|--------------------|
| | | March 31, 2024 | March 31, 2023 |
| | | AUDITED | AUDITED |
| A | Cash flow from operating activities | | |
| | Profit / (loss) before tax for the period | (488.42) | (44.82) |
| | Adjustments for: | | |
| | Depreciation and amortisation | 103.33 | 111.19 |
| | Finance costs | 105.11 | 90.06 |
| | Share based compensation expenses (net of reversals) | 0.60 | 0.05 |
| | Rental income from investment property | (0.97) | (4.45) |
| | Interest income | (2.22) | (5.78) |
| | Liabilities / provisions no longer required written back | (0.43) | (10.02) |
| | Loss/(Profit) on sale of property, plant and equipment | (0.36) | 0.45 |
| | Write off of Property, plant and equipment | 2.53 | - |
| | Impairment on assets classified as held for sale | 2.33 | - |
| | Exceptional loss on account of fire at Puduchery facility | 62.50 | - |
| | Write down of inventories | 122.81 | - |
| | Provision for doubtful receivables and advances | 10.99 | 5.66 |
| | Unrealised exchange (gain)/loss (net) | (0.46) | (0.37) |
| | Operating profit before working capital changes | (82.66) | 141.97 |
| | Changes in working capital: | | |
| | Adjustments for (increase) / decrease in operating assets: | | |
| | Inventories | 13.08 | 17.32 |
| | Trade receivables | 178.17 | (52.80) |
| | Other assets (financial & non-financial) | (20.80) | 22.32 |
| | Adjustments for increase / (decrease) in operating liabilities: | | |
| | Trade payables | 7.30 | 38.90 |
| | Other liabilities (financial & non-financial) | 12.88 | (25.00) |
| | Cash generated from operations | 107.97 | 142.71 |
| | Net income tax (paid) / refunds | 0.90 | 13.54 |
| | Net cash flow from operating activities (A) | 108.87 | 156.25 |
| B | Cash flow from investing activities | | |
| | Capital expenditure for property, plant and equipments and intangible assets, including capital advances | (41.06) | (111.31) |
| | Proceeds from sale of property, plant and equipment | 1.04 | 1.30 |
| | Rental income from investment property | 0.97 | 4.45 |
| | Loan (given) / received | 32.35 | 17.65 |
| | Investments in other entities | - | (1.28) |
| | (Increase)/decrease in balance held as margin money | - | 0.70 |
| | Interest received | 3.19 | 7.35 |
| | Net cash flow used in investing activities (B) | (3.51) | (81.14) |
| C | Cash flow from financing activities | | |
| | Proceeds from non-current borrowings | 4.90 | 68.30 |
| | Repayment of non-current borrowings | (118.49) | (130.62) |
| | Net increase / (decrease) in current borrowings | 111.45 | 39.44 |
| | Lease payments | (0.88) | (2.43) |
| | Finance cost | (102.63) | (87.45) |
| | Net cash flow from financing activities (C) | (105.65) | (112.76) |
| | Net increase in cash and cash equivalents (A+B+C) | (0.29) | (37.65) |
| | Cash and cash equivalents at the beginning of the period | 8.73 | 46.38 |
| | Cash and cash equivalents at the end of the period | 8.44 | 8.73 |

Reconciliation of cash and cash equivalents with the Consolidated Balance Sheet

| Particulars | For the year ended | For the year ended |
|----------------------------------------------------------|--------------------|--------------------|
| | March 31, 2024 | March 31, 2023 |
| Cash and cash equivalents as per Balance Sheet | 8.44 | 8.73 |
| Cash and cash equivalents at the end of the year* | 8.44 | 8.73 |
| * Comprises | | |
| Cash on hand | 0.02 | 0.10 |
| Balance with banks: | | |
| - In current account | 3.07 | 8.58 |
| - In deposit account | 5.35 | 0.05 |
| Total | 8.44 | 8.73 |





SOLARA ACTIVE PHARMA SCIENCES LIMITED
CIN: L24230MH2017PLC291636

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**STATEMENT OF AUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2024
AND UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED MARCH 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 May 29, 2024. The results for the year ended March 31, 2024 has been audited and the quarter ended March 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 opinion on the financial results for the year ended March 31, 2024 and have issued an unmodified conclusion in respect of the limited review for the quarter ended March 31, 2024.
- These consolidated financial results of the Group have been prepared in accordance with the Indian Accounting Standards 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 guidelines issued by the Securities and Exchange Board of India ("SEBI").
- The group has incurred losses of Rs. 566.96 crores for the year ended March 31, 2024 which includes certain costs accounted due to one time/exceptional in nature as indicated in note 6 to 9. Whilst, the group has cash inflow from operations of Rs. 108.87 crores for the year ended March 31, 2024, the group's net current liabilities exceed its net current assets by Rs. 442.10 crores as at March 31, 2024. To mitigate the situation and in order to adequately fund its operations, the Parent has proposed a Rights issue (refer note 11) under which it expects to raise funds aggregating to Rs. 449.95 crores which has also been underwritten by the Promoter group which will utilized for debt reduction and expansion projects. 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 statements 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 | Financial Year ended | Previous Financial Year ended |
|---------|--------------------------|-----------------|--------------------------|---------------------------------------------------|----------------------|-------------------------------|
| | | 31.03.2024 | 31.12.2023 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| | | (Refer Note 13) | UNAUDITED | (Refer Note 13) | AUDITED | AUDITED |
| I | Total Income | 301.06 | 212.38 | 385.74 | 1,294.29 | 1,465.95 |
| II | Profit/(loss) before tax | (167.61) | (275.33) | 8.31 | (488.33) | (44.78) |
| III | Profit/(loss) after tax | (256.40) | (275.33) | 6.46 | (566.87) | (22.21) |

- There was a fire accident at the Parent's Puduchery facility on November 04, 2023 whereby 3 blocks out of the total 76 blocks were impacted by the fire. The resultant fire caused injuries to 14 workers and 12 workers were recovered and discharged while 2 have succumbed to injuries despite maximum efforts put to recover them. The fire also caused damages to our existing plant and equipment and inventories. There was disruption in the production at the Puduchery facility for a brief period and we have resumed the production after receiving the statutory approvals post the fire incident. The losses arising on account of the fire incident have been accounted under exceptional item. The Parent has submitted the initial insurance claims which are subject to assessment by the Insurers, pending which, the claim has not been recognised in these results. The insurance claim will be accrued once there is certainty of the amount expected to be reimbursed by the Insurers.

7 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 | Financial Year ended | Previous Financial Year ended |
|---------|--------------------------------------------------------------------------|-----------------|--------------------------|---------------------------------------------------|----------------------|-------------------------------|
| | | 31.03.2024 | 31.12.2023 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| | | (Refer Note 13) | UNAUDITED | (Refer Note 13) | AUDITED | AUDITED |
| I | Write off of Property, plant and equipment | - | - | - | (2.53) | - |
| II | Impairment on assets classified as held for sale (Refer note 12) | 0.36 | - | - | (2.33) | - |
| III | Exceptional loss on account of fire at Puduchery facility (Refer note 6) | 0.27 | (62.77) | - | (62.50) | - |
| IV | Write down of inventories (Refer note 9) | (122.81) | - | - | (122.81) | - |
| | Total | (122.18) | (62.77) | - | (190.17) | - |

- During the previous 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 has 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 group has been carrying inventories relating to Covid/ anti-viral drugs manufactured during the pandemic amounting to Rs. 122.81 crores. With World Health Organisation ("WHO") declaring end of pandemic phase of Covid -19 and in the absence of immediate alternate market for these inventories identified by the group based on its efforts until March 31, 2024, the group has conservatively provided for the aforesaid inventories during the quarter and year ended March 31, 2024. The group continue to explore the possibility of liquidating the same within its shelf life.
- The group has incurred loss of Rs. 255.45 crores and Rs. 566.96 crores for the quarter and year ended March 31, 2024 respectively and has significant carried forward losses under income tax act. While the group expects to increase operations in the future as referred in note 3, in view of the significant carried forward losses and resulting impact on future taxable profits, the group has written off Deferred tax assets (including MAT credit entitlement) amounting to Rs. 88.79 crores and 78.54 crores respectively during the quarter and year ended March 31, 2024 and disclosed the same under 'tax 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 and other applicable laws and the Rights issue window is open from May 28, 2024 to June 11, 2024.
- 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. The group has classified all assets and liabilities of this subsidiary as held for sale in accordance with IND AS 105: Non-current Assets Held for Sale and Discontinued Operations and has accounted for impairment of Rs. 2.33 crores. Subsequent to the year-end, the shares were transferred on April 23, 2024.
- The figures for the current quarter ended March 31, 2024 and quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and March 31, 2023, respectively and published year to date figures up to third quarter ended December 31, 2023 and December 31, 2022, respectively.

For and on behalf of board

Poorvank Purohit
Poorvank Purohit
MD & CEO



Place: Bengaluru
Date: May 29, 2024

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL STANDALONE FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SOLARA ACTIVE PHARMA SCIENCES LIMITED

Opinion and Conclusion

We have (a) audited the Standalone Financial Results for the year ended March 31, 2024 and (b) reviewed the Standalone Financial Results for the quarter ended March 31, 2024 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Audited Standalone Financial Results for the year ended March 31, 2024 and Unaudited Standalone Financial Results for the quarter ended March 31, 2024" of **SOLARA ACTIVE PHARMA SCIENCES LIMITED** ("the Company"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Standalone Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results for the year ended March 31, 2024:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net loss and total comprehensive loss and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2024

With respect to the Standalone Financial Results for the quarter ended March 31, 2024, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Standalone Financial Results for the quarter ended March 31, 2024, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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.

Basis for Opinion on the Audited Standalone Financial Results for the year ended March 31, 2024

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Results for the year ended March 31, 2024 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte Haskins & Sells LLP

Management's Responsibilities for the Statement

This Statement which includes the Standalone Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Standalone Financial Results for the year ended March 31, 2024 has been compiled from the related audited standalone financial statements. This responsibility includes the preparation and presentation of the Standalone Financial Results for the quarter and year ended March 31, 2024 that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Standalone Financial Results for the year ended March 31, 2024

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results for the year ended March 31, 2024 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Standalone Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Deloitte Haskins & Sells LLP

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Standalone Financial Results, including the disclosures, and whether the Annual Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Annual Standalone Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Standalone Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Standalone Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Standalone Financial Results for the quarter ended March 31, 2024

We conducted our review of the Standalone Financial Results for the quarter ended March 31, 2024 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 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 SAs specified under section 143(10) of the Act 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.

WJ

Deloitte Haskins & Sells LLP

Other Matters

- The Statement includes the results for the Quarter ended March 31, 2024 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

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



Sathya P. Koushik
Partner
(Membership No. 206920)
(UDIN: 24206920BKANYV1184)

Place: Bengaluru
Date: May 29, 2024



SOLARA ACTIVE PHARMA SCIENCES LIMITED
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**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2024
AND UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER MARCH 31, 2024**

(Rs. in Crores except per share data)

| Sl. No. | Particulars | 3 months ended | | Corresponding 3 months ended in the previous year | Financial Year ended | |
|---------|------------------------------------------------------------------------------------------------|-----------------|-----------------|---------------------------------------------------|----------------------|-----------------|
| | | 31.03.2024 | 31.12.2023 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| | | (Refer Note 12) | UNAUDITED | (Refer Note 12) | AUDITED | AUDITED |
| I | Revenue from operations | 299.43 | 211.94 | 380.62 | 1,288.92 | 1,443.81 |
| II | Other income | 1.63 | 0.44 | 5.12 | 5.37 | 22.14 |
| III | Total income (I + II) | 301.06 | 212.38 | 385.74 | 1,294.29 | 1,465.95 |
| IV | Expenses | | | | | |
| | (a) Cost of materials consumed | 158.38 | 157.76 | 195.10 | 760.65 | 773.90 |
| | (b) Purchases of stock-in-trade | 0.15 | 0.25 | 2.77 | 5.10 | 7.88 |
| | (c) Changes in inventories of finished goods, stock-in-trade and work in progress | 1.45 | 57.51 | (5.43) | 39.27 | 7.05 |
| | (d) Employee benefits expense | 56.01 | 62.64 | 60.20 | 243.92 | 228.05 |
| | (e) Finance costs | 30.62 | 25.37 | 21.96 | 105.97 | 90.06 |
| | (f) Depreciation and amortisation expenses | 25.10 | 25.96 | 26.40 | 103.03 | 110.90 |
| | (g) Other expenses | 73.64 | 95.45 | 76.43 | 335.04 | 292.89 |
| | Total expenses (IV) | 345.35 | 424.94 | 377.43 | 1,592.98 | 1,510.73 |
| V | Profit/(loss) before exceptional items and tax (III - IV) | (44.29) | (212.56) | 8.31 | (298.69) | (44.78) |
| VI | Exceptional item profit / (loss) (Refer note 6) | (123.32) | (62.77) | - | (189.64) | - |
| VII | Profit/(loss) before tax (V - VI) | (167.61) | (275.33) | 8.31 | (488.33) | (44.78) |
| VIII | Tax expense | | | | | |
| | - Current tax | - | - | - | - | (0.11) |
| | - Deferred tax (Refer note 9) | 88.79 | - | 1.85 | 78.54 | (22.46) |
| | Total tax expense (VIII) | 88.79 | - | 1.85 | 78.54 | (22.57) |
| IX | Profit/(loss) for the period (VII - VIII) | (256.40) | (275.33) | 6.46 | (566.87) | (22.21) |
| X | Other comprehensive income | | | | | |
| A | Items that will not be reclassified subsequently to profit or loss: | | | | | |
| | (i) Remeasurement gains/(losses) of defined benefit plans | 0.32 | - | (1.04) | 0.56 | (2.70) |
| | (ii) Income tax relating to items that will not be reclassified subsequently to profit or loss | - | - | 0.36 | - | 0.94 |
| 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) | 0.32 | - | (0.68) | 0.56 | (1.76) |
| XI | Total comprehensive income/(loss) for the period (IX + X) | (256.08) | (275.33) | 5.78 | (566.31) | (23.97) |
| XII | Paid-up equity share capital (face value of Rs. 10/- each) | 36.00 | 36.00 | 36.00 | 36.00 | 36.00 |
| XIII | Other equity | | | | 901.42 | 1,467.13 |
| | Earnings per equity share (face value of Rs. 10/- each) (not annualised for quarters) | | | | | |
| | (a) Basic (in Rs.) | (71.23) | (76.49) | 1.79 | (157.48) | (6.17) |
| | (b) Diluted (in Rs.) | (71.23) | (76.49) | 1.79 | (157.48) | (6.17) |
| | See accompanying notes to the standalone financial results | | | | | |



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STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2024

AND UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER MARCH 31, 2024

STANDALONE BALANCE SHEET

(Rs. In Crores)

| Sl. No. | Particulars | As at | As at |
|-----------|--------------------------------------------------|-----------------|-----------------|
| | | March 31, 2024 | March 31, 2023 |
| | | AUDITED | AUDITED |
| A | Assets | | |
| I | Non-current assets | | |
| | (a) Property, plant and equipment | 799.05 | 860.20 |
| | (b) Right of use assets | 52.19 | 53.77 |
| | (c) Capital work in progress | 256.37 | 238.47 |
| | (d) Investment property | 2.39 | 8.79 |
| | (e) Goodwill | 364.90 | 364.90 |
| | (f) Other intangible assets | 42.56 | 54.35 |
| | (g) Financial assets | | |
| | (i) Investments | 14.25 | 16.05 |
| | (ii) Other financial assets | 15.35 | 14.41 |
| | (h) Deferred tax assets (net) | - | 78.54 |
| | (i) Income tax assets (net) | 3.61 | 4.53 |
| | (j) Other non-current assets | 5.28 | 10.07 |
| | Total non-current assets | 1,555.95 | 1,704.08 |
| II | Current assets | | |
| | (a) Inventories | 359.70 | 558.09 |
| | (b) Financial assets | | |
| | (i) Trade receivables | 351.22 | 539.65 |
| | (ii) Cash and cash equivalents | 8.32 | 8.55 |
| | (iii) Bank balances other than (ii) above | 0.16 | 0.16 |
| | (iv) Loans | 0.34 | 32.62 |
| | (v) Other financial assets | 7.42 | 14.09 |
| | (c) Other current assets | 63.49 | 37.71 |
| | Total current assets | 790.65 | 1,190.87 |
| | Total Assets (I+II) | 2,346.60 | 2,894.95 |
| B | Equity and liabilities | | |
| I | Equity | | |
| | (a) Equity share capital | 36.00 | 36.00 |
| | (b) Other equity | 901.42 | 1,467.13 |
| | Total equity | 937.42 | 1,503.13 |
| II | Liabilities | | |
| 1 | Non-current liabilities | | |
| | (a) Financial liabilities | | |
| | (i) Borrowings | 105.83 | 235.10 |
| | (ii) Lease liabilities | 11.61 | 11.15 |
| | (iii) Other financial liabilities | 0.42 | 0.42 |
| | (b) Provisions | 10.08 | 10.67 |
| | (c) Other non-current liabilities | 43.59 | 38.36 |
| | Total Non-current liabilities | 171.53 | 295.70 |
| 2 | Current liabilities | | |
| | (a) Financial liabilities | | |
| | (i) Borrowings | 893.55 | 766.05 |
| | (ii) Lease liabilities | 0.51 | 0.55 |
| | (iii) Trade payables | | |
| | - Dues of micro and small enterprises | 10.63 | 11.96 |
| | - Dues of other than micro and small enterprises | 297.07 | 288.73 |
| | (iv) Other financial liabilities | 13.70 | 14.33 |
| | (b) Provisions | 1.97 | 2.08 |
| | (c) Other current liabilities | 20.22 | 12.42 |
| | Total current liabilities | 1,237.65 | 1,096.12 |
| | Total liabilities | 1,409.18 | 1,391.82 |
| | Total equity and liabilities (I+II) | 2,346.60 | 2,894.95 |



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STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2024
AND UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER MARCH 31, 2024

STANDALONE STATEMENT OF CASH FLOWS

(Rs. In Crores)

| Sl. No. | Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|----------|----------------------------------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| | | AUDITED | AUDITED |
| A | Cash flow from operating activities | | |
| | Profit/(loss) before tax for the period | (488.33) | (44.78) |
| | Adjustments for: | | |
| | Depreciation and amortisation | 103.03 | 110.90 |
| | Finance costs | 105.97 | 90.06 |
| | Share based compensation expenses (net of reversals) | 0.60 | 0.05 |
| | Rental income from investment property | (0.97) | (4.45) |
| | Interest income | (2.22) | (5.92) |
| | Liabilities / provisions no longer required written back | (0.43) | (9.49) |
| | Loss/(Profit) on sale of property, plant and equipment | (0.36) | 0.45 |
| | Write off of Property, plant and equipment | 2.53 | - |
| | Impairment on investments in subsidiary | 1.80 | - |
| | Exceptional loss on account of fire at Pudukchery facility | 62.50 | - |
| | Write down of inventories | 122.81 | - |
| | Provision for doubtful receivables and advances | 10.99 | 5.66 |
| | Unrealised exchange (gain)/loss (net) | (0.46) | (0.38) |
| | Operating profit before working capital changes | (82.54) | 142.10 |
| | Changes in working capital: | | |
| | Adjustments for (increase) / decrease in operating assets: | | |
| | Inventories | 15.06 | 17.46 |
| | Trade receivables | 178.13 | (55.46) |
| | Other assets (financial & non-financial) | (20.73) | 22.29 |
| | Adjustments for increase / (decrease) in operating liabilities: | | |
| | Trade payables | 7.23 | 41.30 |
| | Other liabilities (financial & non-financial) | 12.88 | (25.23) |
| | Cash generated from operations | 110.03 | 142.46 |
| | Net income tax (paid) / refunds | 0.92 | 13.71 |
| | Net cash flow from operating activities (A) | 110.95 | 156.17 |
| B | Cash flow from investing activities | | |
| | Capital expenditure for property, plant and equipments and intangible assets, including capital advances | (43.07) | (111.31) |
| | Proceeds from sale of property, plant and equipment | 1.04 | 1.30 |
| | Rental income from investment property | 0.97 | 4.45 |
| | Loan (given) / received | 32.35 | 17.65 |
| | Investments in other entities | - | (1.28) |
| | (Increase)/decrease in balance held as margin money | - | 0.70 |
| | Interest received | 4.05 | 7.36 |
| | Net cash flow used in investing activities (B) | (4.64) | (81.13) |
| C | Cash flow from financing activities | | |
| | Proceeds from non-current borrowings | 4.90 | 68.30 |
| | Repayment of non-current borrowings | (118.50) | (130.62) |
| | Net increase / (decrease) in current borrowings | 111.45 | 39.44 |
| | Lease payments | (0.88) | (2.43) |
| | Finance cost | (103.49) | (87.45) |
| | Net cash flow from financing activities (C) | (106.52) | (112.76) |
| | Net increase in cash and cash equivalents (A+B+C) | (0.23) | (37.72) |
| | Cash and cash equivalents at the beginning of the period | 8.55 | 46.27 |
| | Cash and cash equivalents at the end of the period | 8.32 | 8.55 |

Reconciliation of cash and cash equivalents with the Standalone Balance Sheet:

| Particulars | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|----------------------------------------------------------|--------------------------------------|--------------------------------------|
| Cash and cash equivalents as per Balance Sheet | 8.32 | 8.55 |
| Cash and cash equivalents at the end of the year* | 8.32 | 8.55 |
| * Comprises | | |
| Cash on hand | 0.02 | 0.10 |
| Balance with banks: | | |
| - In current account | 2.95 | 8.40 |
| - In deposit account | 5.35 | 0.05 |
| Total | 8.32 | 8.55 |





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 AUDITED STANDALONE FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 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 May 29, 2024. The results for the year ended March 31, 2024 has been audited and the quarter ended March 31, 2024 has been reviewed by Deloitte Haskins & Sells LLP, the statutory auditors of the Company. The statutory auditors of the Company have issued an unmodified opinion on the financial results for the year ended March 31, 2024 and have issued unmodified conclusion in respect of the limited review for the quarter ended March 31, 2024.
- These standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards 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 guidelines issued by the Securities and Exchange Board of India ("SEBI").
- The Company has incurred losses of Rs. 566.87 crores for the year ended March 31, 2024 which includes certain costs accounted due to one time/exceptional in nature as indicated in note 5 to 8. Whilst, the Company has cash inflow from operations of Rs.110.95 crores for the year ended March 31, 2024, the Company's net current liabilities exceed its net current assets by Rs. 447.00 crores as at March 31, 2024. To mitigate the situation and in order to adequately fund its operations, the Company has proposed a Rights issue (refer note 10) under which it expects to raise funds aggregating to Rs. 449.50 crores which has also been underwritten by the Promoter group which will be utilized for debt reduction and expansion projects. 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 statements on a going concern basis.
- The Company's operations relate to only one reportable segment viz Active Pharmaceutical Ingredient (API). Accordingly no separate disclosure of segment information is required.
- There was a fire accident at the Company's Puducherry facility on November 04, 2023 whereby 3 blocks out of the total 76 blocks were impacted by the fire. The resultant fire caused injuries to 14 workers and 12 workers were recovered and discharged while 2 have succumbed to injuries despite maximum efforts put to recover them. The fire also caused damages to our existing plant and equipment and inventories. There was disruption in the production at the Puducherry facility for a brief period and we have resumed the production after receiving the statutory approvals post the fire incident. The losses arising on account of the fire incident have been accounted under exceptional item. The Company has submitted the initial insurance claims which are subject to assessment by the Insurers, pending which, the claim has not been recognised in these results. The insurance claim will be accrued once there is certainty of the amount expected to be reimbursed by the Insurers.

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 | Financial Year ended | Previous Financial Year ended |
|---------|---------------------------------------------------------------------------|-----------------|--------------------------|---------------------------------------------------|----------------------|-------------------------------|
| | | 31.03.2024 | 31.12.2023 | 31.03.2023 | 31.03.2024 | 31.03.2023 |
| | | (Refer Note 12) | UNAUDITED | (Refer Note 12) | AUDITED | AUDITED |
| I | Write off of Property, plant and equipment | - | - | - | (2.53) | - |
| II | Impairment on investments in Subsidiary (Refer note 11) | (0.78) | - | - | (1.80) | - |
| III | Exceptional loss on account of fire at Puducherry facility (Refer note 5) | 0.27 | (62.77) | - | (62.50) | - |
| IV | Write down of inventories (Refer note 8) | (122.81) | - | - | (122.81) | - |
| | | (123.32) | (62.77) | - | (189.64) | - |

- During the previous 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 has 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 has been carrying inventories relating to Covid/ anti-viral drugs manufactured during the pandemic amounting to Rs. 122.81 crores. With World Health Organisation ("WHO") declaring end of pandemic phase of Covid -19 and in the absence of immediate alternate market for these inventories identified by the Company based on its efforts until March 31, 2024, the Company has conservatively provided for the aforesaid inventories during the quarter and year ended March 31, 2024. The Company continue to explore the possibility of liquidating the same within its shelf life.
- The Company has incurred loss of Rs. 256.40 crores and Rs. 566.87 crores for the quarter and year ended March 31, 2024 respectively and has significant carried forward losses under income tax act. While the Company expects to increase operations in the future as referred in note 3, in view of the significant carried forward losses and resulting impact on future taxable profits, the Company has written off Deferred tax assets (including MAT credit entitlement) amounting to Rs. 88.79 crores and 78.54 crores respectively during the quarter and year ended March 31, 2024 and disclosed the same under 'tax 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 and the Rights issue window is open from May 28, 2024 to June 11, 2024.
- 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. The Company has accounted for impairment on investments in this subsidiary of Rs. 1.80 crores. Subsequent to the year-end, the shares were transferred on April 23, 2024.
- The figures for the current quarter ended March 31, 2024 and quarter ended March 31, 2023 are the balancing figures between the audited figures in respect of the full financial year ended March 31, 2024 and March 31, 2023, respectively and published year to date figures up to third quarter ended December 31, 2023 and December 31, 2022, respectively.

For and on behalf of board

Poorvank Purohit

Poorvank Purohit
MD & CEO

Place : Bengaluru
Date: May 29, 2024



Press Release

Solara reports Q4'24 and FY24 results

- **Solara reports adjusted EBITDA of INR 378 Mn in Q4'24 & sequential growth over Q3'24.**
- **Solara reports significantly improved Gross Margin profile**
- **Gross Margin improves from 9 months average of 37% to 46%, 900 bps improvements in Gross Margins.**
- **Previously announced Q4'24 guidance delayed by a quarter due to unplanned US FDA inspection at Vizag facility, which concluded successfully with zero 483's**
- **Reaffirms FY25 guidance of Revenue ~Rs. 15,000 Mn & the full year EBITDA of ~Rs. 2,300 to 2,600 Mn & Q4'25 exit quarter Revenue ~ Rs. 4,000 Mn & EBITDA of ~Rs. 800 to Rs. 900 Mn with EBITDA margins of 20-22%**
- **All one-off items in the balance sheet have been addressed and provided for (including Covid inventory) and there are no further exceptional items**
- **Rights issue for INR 449.95 crores opened on May 28, 2024, 75% of which will be utilized towards debt reduction and balance will be utilized for general corporate purposes**

Bengaluru, India – May 29, 2024: Solara Active Pharma Sciences Ltd (Solara) (NSE: SOLARA; BSE: 541540), a leading Active Pharmaceutical Ingredient / CRAMS company, today announced the financial results for the fourth quarter (Q4'24)

Financial Performance for Q4'24 after COVID inventory provision

| Particulars (Rs. Mn) | Q4'24 | Q3'24 | QoQ% | Q4'23 | YoY% | FY24 | FY23 | YoY% |
|-------------------------------|----------------|----------------|------|-----------|------|----------------|--------------|------|
| Revenue | 3,011 | 2,492 | 23% | 3,853 | -21% | 12,943 | 14,664 | -11% |
| Reported Gross margins | 1,409 | 324 | 324% | 1,909 | -26% | 4,891 | 6,716 | -27% |
| Reported Gross margins % | 46.7% | 13.0% | | 49.5% | | 37.7% | 45.8% | |
| Adjusted EBITDA | 378 | (643) | | 515 | - | 322 | 1,505 | - |
| Adjusted EBITDA Margins % | 12.3% | - | | 13.4% | | 2.5% | 10.3% | |
| Reported EBITDA | 112 | (1,616) | | 515 | - | (917) | 1,505 | - |
| Reported EBITDA Margins % | 3.8% | - | | 13.4% | | - | 10.3% | |
| COVID Inventory provision | 1,228 | - | | - | | 1,228 | - | |
| Exceptional items (gain)/loss | (6) | 628 | | - | | 674 | - | |
| Depreciation | 252 | 261 | | 264 | | 1,033 | 1,111 | |
| Finance cost | 304 | 248 | | 201 | | 1,032 | 955 | |
| PBT | (1,666) | (2,753) | | 50 | | (4,884) | (448) | |
| PBT Margins % | - | - | | 1% | | - | - | |
| PAT | (2,554) | (2,753) | | 38 | | (5,669) | (223) | |
| PAT Margins % | - | - | | 1% | | - | - | |



Commenting on the financial performance, **Poorvank Purohit, MD & CEO of the Company**, remarked, “While Solara reported a dismal FY’24, the Reset announced in the previous Earnings call has been implemented now in full stream, albeit delayed by a quarter as we had an unplanned US FDA inspection of the Vizag facility, which was part of our mothballing exercise in our network optimization. We are pleased with the successful zero 483 inspection and we are committed to retrofit Vizag to a larger multipurpose facility to funnel future growth.

During the year, we were impacted by the fire accident at our Puducherry facility and aggressive calls that we have taken on our balance sheet with regards one time provisioning of Rs. 2,026 Mn including COVID inventory and accounted for fire loss of Rs. 627 Mn.

While we reaffirm our FY’25 guidance, we are extremely confident that Solara is on the right track of the Reset and is poised to get back to its historical highs with both Revenues and EBITDA’s in the coming quarters. We further reaffirm our guidance for FY’25 FY25 guidance of Revenue of ~Rs. 15,000 Mn & the full year EBITDA of ~Rs. 2,300 to 2,600 Mn & Q4’25 exit quarter Revenue ~ Rs. 4,000 Mn & EBITDA of ~Rs. 800 to Rs. 900 Mn with EBITDA margins of 20-22%”

More details given in the Investor presentation

EBITDA Reconciliation

| Particulars (INR m) | Q4’24 | Q3’24 | Q4’23 | FY24 | FY23 |
|----------------------------------------------------------|------------|----------------|------------|--------------|--------------|
| Profit/(loss) before exceptional items and tax | (443) | (2,126) | 50 | (2,976) | (448) |
| Add : Finance costs | 304 | 254 | 220 | 1,048 | 901 |
| Add: Depreciation and amortisation expense | 252 | 260 | 264 | 1,033 | 1,112 |
| Less: Interest income | (1) | (4) | (19) | (22) | (59) |
| Consolidated Reported EBITDA as per press release | 112 | (1,616) | 515 | (917) | 1,506 |

Earnings Conference Call

The Company will conduct earnings call at **4.00 PM IST on May 29, 2024**, where the Management will discuss the Company’s performance and answer questions from participants. To participate in this conference call, please dial the below numbers 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 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 73 countries. It has a manufacturing base comprising six globally compliant API facilities, with approvals including the USFDA, EU GMP, and PMDA in Japan.

Investor / Analyst contact

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Statutory and corporate affairs

Murali Krishna S

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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 **Reset** Focusing on Profitable Growth

- ✓ Solara reports adjusted EBITDA of INR 378 Mn in Q4'24 & sequential growth over Q3'24.
- ✓ Solara reports significantly improved Gross Margin profile
- ✓ Gross Margin improves from 9 months average of 37% to 46%, 900 bps improvements in Gross Margins.
- ✓ Previously announced Q4'24 guidance delayed by a quarter due to unplanned US FDA inspection at Vizag facility, which concluded successfully with zero 483's
- ✓ Company reaffirms FY25 guidance of Revenue ~INR 15,000 Mn & the full year EBITDA ~INR. 2,300 to 2,600 Mn with Q4'25 exit quarter Revenue ~ INR. 4,000 Mn & EBITDA of ~INR 800 to INR 900 Mn (EBITDA margins of 20-22%)
- ✓ All one-off items in the balance sheet have been addressed and provided for (including Covid inventory) and there are no further exceptional items
- ✓ Rights issue for INR 449.95 crores opened on May 28, 2024, 75% of which will be utilized towards debt reduction and balance will be utilized for general corporate purposes

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.

Performance (₹ In Million)

| Particulars | Q4'24 | Q3'24 | QoQ% | Q4'23 | YoY% | FY24 | FY23 | YoY% |
|----------------------------------|----------------|----------------|-------------|--------------|-------------|----------------|---------------|-------------|
| Revenue | 3,011 | 2,492 | 23% | 3,853 | -21% | 12,993 | 14,664 | -11% |
| Reported Gross margins | 1,409 | 324 | 324% | 1,909 | -26% | 4,874 | 6,716 | -27% |
| <i>Reported Gross margins %</i> | 46.7% | 13.0% | | 49.5% | | 37.5% | 45.8% | |
| Adjusted EBITDA | 378 | (643) | | 515 | - | 322 | 1,505 | - |
| <i>Adjusted EBITDA Margins %</i> | 12.3% | - | | 13.4% | | 2.5% | 10.3% | |
| Reported EBITDA | 112 | (1,616) | | 515 | - | (917) | 1,505 | - |
| <i>Reported EBITDA Margins %</i> | 3.8% | - | | 13.4% | | - | 10.3% | |
| PBT | (1,666) | (2,753) | | 50 | - | (4,884) | (448) | - |
| <i>PBT Margins %</i> | - | - | | 1% | | - | - | |
| PAT | (2,554) | (2,753) | | 38 | - | (5,669) | (223) | - |
| <i>PAT Margins %</i> | - | - | | 1% | | - | - | |

Poorvank Purohit,
MD & CEO

While Solara reported a dismal FY'24, the reset announced in the previous earnings call has been implemented now in full stream, albeit delayed by a quarter as we had an unplanned US FDA inspection of the Vizag facility, which was part of our mothballing exercise in our network optimization. We are pleased with the successful zero 483 inspection and we are committed to retrofit Vizag to a larger multipurpose facility to funnel future growth.

During the year, we were impacted by the fire accident at our Puducherry facility and aggressive calls that we have taken on our balance sheet with regards one time provisioning of INR 2,026 Mn including COVID inventory and accounted for fire loss of INR 627 Mn.

While we reaffirm our FY'25 guidance, we are extremely confident that Solara is on the right track of the reset and is poised to get back to its historical highs with both Revenues and EBITDA's in the coming quarters. We further reaffirm our guidance for FY'25 guidance of Revenue of ~INR 15,000 Mn & the full year EBITDA of ~INR 2,300 to INR 2,600 Mn & Q4'25 exit quarter Revenue ~INR 4,000 Mn & EBITDA of ~INR 800 to INR 900 Mn with EBITDA margins of 20-22%

| | Adjusted | | Adjusted line items | | Reported |
|----------------|----------|---|---------------------|---|----------|
| Revenue | ₹ 3,011m | - | - | = | ₹ 3,011m |
| Gross margins | ₹ 1,528m | - | ₹ 119m* | = | ₹ 1,409m |
| Operating cost | ₹ 1,150m | + | ₹ 147m** | = | ₹ 1,297m |
| EBITDA | ₹ 378m | - | ₹ 266m | = | ₹ 112m |
| EBITDA margins | 12% | | | | 4% |

* Adjusted for the One-off impact of reduction in inventory levels to the extent of INR 119 Mn resulting from our strategic actions taken to optimize the existing inventory levels

** Adjusted for the benefits from the cost optimization initiatives that was originally scheduled to flow through from Q4'24 is delayed by a quarter due to unplanned US FDA inspection at Vizag facility and which will now flow through from Q1'25 onwards

Q4'24 QoQ and YoY Performance (₹ In Million)

| Particulars | Q4'24 | Q3'24 | Change | Q4'23 | Change |
|-------------------------------|----------------|----------------|-------------|--------------|-------------|
| Revenue | 3,011 | 2,492 | 23% | 3,853 | -21% |
| Reported Gross Margins | 1,409 | 324 | 324% | 1,909 | -26% |
| Reported Gross margins % | 46.7% | 13.0% | | 49.5% | |
| Operating EBITDA | 217 | (1,508) | | 618 | |
| Operating EBITDA Margins % | 7.1% | - | | 16.0% | |
| R&D Cost | (101) | (108) | | (103) | |
| Adjusted EBITDA* | 378 | (643) | | 515 | |
| Adjusted EBITDA Margins % | 12.3% | - | | 13.4% | |
| Reported EBITDA | 112 | (1,616) | | 515 | |
| Reported EBITDA Margins % | 3.8% | - | | 13.4% | |
| COVID Inventory provision | 1,228 | - | | - | |
| Exceptional items (gain)/loss | (6) | 628 | | - | |
| Depreciation | 252 | 261 | | 264 | |
| Finance cost | 304 | 248 | | 201 | |
| PBT | (1,666) | (2,753) | | 50 | |
| PBT Margins % | - | - | | 1% | |
| PAT | (2,554) | (2,753) | | 38 | |
| PAT Margins % | - | - | | 1% | |

- ▶ The Reset actions which we announced in the previous quarter have been initiated and taking full stream. Few actions got delayed by a quarter due to an unplanned US FDA inspection of the Vizag facility, which was part of our mothballing exercise in our network optimization.
- ▶ INR 147m cost benefits from the cost optimization initiatives that was originally scheduled to flow through from Q4'24 is delayed by a quarter and which will now flow through from Q1'25 onwards.
- ▶ One-off impact of reduction in inventory levels to the extent of INR 119 Mn resulting from our strategic actions taken to optimize the existing inventory levels.
- ▶ During the quarter, we have made a provision towards remaining Covid inventory (INR 1,228 Mn). These products were manufactured under a valid voluntary license taken from the innovator. The sales of these products could only be executed while Covid remained a pandemic which is no more the case. Consequently, the company has taken provision on a conservative basis despite the Covid inventory having a residual shelf life extending beyond patent expiry of these products.
- ▶ During the year, we were impacted by the fire accident at our Puducherry facility and the aggressive calls that we have taken on our balance sheet with regards one time provisioning of INR 2,320 Mn including Covid inventory and accounted for fire loss of INR 627 Mn.
- ▶ With all our reset actions being implemented, we reaffirm our FY'25 guidance with a Revenue of ~INR 15,000 Mn & the full year EBITDA of ~INR 2,300 to 2,600 Mn & Q4'25 exit quarter Revenue ~ INR 4,000 Mn & EBITDA margins of 20-22%

*Adjusted for the One-off impact of reduction in inventory levels to the extent of ₹ 119 Mn resulting from our strategic actions taken to optimize the existing inventory levels and Adjusted for the benefits from the cost optimization initiatives that was originally scheduled to flow through from Q4'24 is delayed by a quarter due to unplanned US FDA inspection at Vizag facility and which will now flow through from Q1'25 onwards

FY24 YoY Performance (₹ In Million)

| Particulars | FY24 | FY23 | Change |
|-------------------------------|----------------|---------------|-------------|
| Revenue | 12,943 | 14,664 | -11% |
| Reported Gross Margins | 4,891 | 6,775 | -28% |
| Reported Gross margins % | 37.7% | 46.2% | |
| Operating EBITDA | (497) | 1,875 | |
| Operating EBITDA Margins % | -3.8% | 12.8% | |
| R&D Cost | (420) | (370) | |
| Adjusted EBITDA* | 322 | 1,505 | |
| Adjusted EBITDA Margins % | 2.5% | 10.3% | |
| Reported EBITDA | (917) | 1,505 | |
| Reported EBITDA Margins % | - | 10.3% | |
| COVID Inventory provision | 1,228 | - | |
| Exceptional items (gain)/loss | 674 | - | |
| Depreciation | 1,033 | 1,111 | |
| Finance cost | 1,048 | 955 | |
| PBT | (4,884) | (448) | |
| PBT Margins % | - | - | |
| PAT | (5,669) | (223) | |
| PAT Margins % | - | - | |

*Adjusted for the One-off impact of reduction in inventory levels to the extent of ₹ 119 Mn resulting from our strategic actions taken to optimize the existing inventory levels and Adjusted for the benefits from the cost optimization initiatives that was originally scheduled to flow through from Q4'24 is delayed by a quarter due to unplanned US FDA inspection at Vizag facility and which will now flow through from Q1'25 onwards

Sources of funds (₹ In Million)

| Particulars | Mar'23 | Mar'24 |
|----------------------|---------------|---------------|
| Shareholders' funds | 15,002 | 9,532 |
| Less: Goodwill | -3,651 | -3,651 |
| Net worth | 11,351 | 5,882 |
| Term Loan | 3,524 | 2,391 |
| Working capital Loan | 6,488 | 7,603 |
| Gross Debt | 10,012 | 9,994 |
| Total | 21,363 | 15,875 |

Use of funds (₹ In Million)

| Particulars | Mar'23 | Mar'24 |
|---------------------------|---------------|---------------|
| Net Tangible Fixed Assets | 11,830 | 11,291 |
| Net Non-current Assets | 1,010 | 188 |
| Net Current Assets | 8,523 | 4,068 |
| Total | 21,363 | 15,875 |

- ▶ Gross debt is at INR. 9,994 Mn and remained flat during the year.
- ▶ Planned for debt reduction through Rights issue
- ▶ Net current assets reduced from INR 8,523 Mn to INR 4,068 Mn.
- ▶ Right sizing the balance sheet

- ▶ Issue size is Rs. 449.95 Crores
- ▶ Issue Price per share is Rs. 375 including a premium of Rs. 365
- ▶ No. of shares offered is 1,19,98,755
- ▶ Issue Opening date is May 28, 2024
- ▶ Issue Closing date is June 11, 2024
- ▶ Use of proceeds - 75% towards debt repayment and 25% towards general corporate expenses
- ▶ Promoters have committed to subscribe to their entitlement in full.
- ▶ Tentative call timing indicated in the letter of offer is 3 tranches of call, 35% (Rs. 131.25 per share) on application in June 2024, 35% (Rs. 131.25 per share) on first call in FY 2026 and 30% (Rs. 112.5 per share) on final call in FY 2027.

Thank you