

B S R & Co. LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurgaon - 122 002, India

Telephone: + 91 124 2358 610
Fax: + 91 124 2358 613

Review Report to the Board of Directors of Jubilant Life Sciences Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Results (“the consolidated financial results”) of Jubilant Life Sciences Limited (“the Company”) and its subsidiaries (collectively referred to as “the Group”) for the quarter and half year ended 30 September 2016, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. These consolidated financial results are the responsibility of the Company’s management and have been approved by the Board of Directors on 27 October 2016. Our responsibility is to issue a report on these consolidated financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying consolidated financial results, prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated 5 July 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 101248W/W-100022

Pravin Tulsyan

Partner

Membership No.: 108044

Place: Noida

Date: 27 October 2016

Jubilant Life Sciences Limited

Regd. Office: Bhartiagram, Gajraula, Distt. Amroha-244 223 (U.P.)

CIN:L24116UP1978PLC004624

Website: www.jubl.com, Email: investors@jubl.com, Tel: +91-5924-252353-60, Fax: +91-5924-252352

Statement of Consolidated Unaudited Results for the Quarter and Half Year ended 30 September 2016

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended	
		30 September	30 June	30 September	30 September	30 September
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		2016	2016	2015	2016	2015
1	Income from operations					
	a) Net sales/Income from operations (inclusive of excise duty)	139354	143536	147360	282890	293841
	b) Other operating income	2580	1856	1831	4436	3848
	Total income from operations (net)	141934	145392	149191	287326	297689
2	Expenses					
	a) Cost of materials consumed	41245	44623	52667	85868	104298
	b) Purchase of stock-in-trade	4510	3672	3939	8182	7896
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(224)	(1881)	(3575)	(2105)	(5461)
	d) Excise duty on sales	3384	3439	3996	6823	7924
	e) Power and fuel expense	7724	8064	9931	15788	20143
	f) Employee benefits expense	30141	29590	28362	59731	55632
	g) Depreciation and amortization expense (Refer note 7 below)	7201	7152	7511	14353	14532
	h) Other expenses	21121	21069	21557	42190	42436
	Total expenses	115102	115728	124388	230830	247400
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	26832	29664	24803	56496	50289
4	Other income	492	429	448	921	828
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	27324	30093	25251	57417	51117
6	Finance costs (Refer note 8 below)	7996	8277	9214	16273	18330
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	19328	21816	16037	41144	32787
8	Exceptional items (Refer note 9 below)	(15)	(10)	(60)	(25)	(97)
9	Profit/(Loss) from ordinary activities before tax (7-8)	19343	21826	16097	41169	32884
10	Tax expense (Net)	4972	5424	3617	10396	7371
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	14371	16402	12480	30773	25513
12	Extraordinary items (net of tax expense)	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	14371	16402	12480	30773	25513
14	Share of Profit/(Loss) of associates	-	-	-	-	-
15	Minority interest	(106)	242	(162)	136	(322)
16	Net Profit/(Loss) after taxes, minority interest and share of profit/loss of associates (13-14-15)	14477	16160	12642	30637	25835
17	Other Comprehensive Income after tax (OCI) (including movement in foreign currency translation reserve)	(4667)	3493	(4862)	(1174)	846
18	Total Comprehensive Income after tax (16+17)	9810	19653	7780	29463	26681
19	Paid-up equity share capital (Face value per share ₹ 1) (Refer note 10 below)	1555	1554	1550	1555	1550
20	Earnings per share of ₹ 1 each before and after extraordinary items (Not annualized) (Refer note 10 below)					
	Basic (₹)	9.30	10.39	8.11	19.69	16.58
	Diluted (₹)	9.29	10.38	8.10	19.67	16.56
	See accompanying notes to the Consolidated Unaudited Results					



Jubilant Life Sciences Limited

Note1: Consolidated Unaudited Segment wise Revenue, Results, Assets, Liabilities and Capital Employed for the Quarter and Half year ended 30 September 2016

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Half Year Ended	
		30 September	30 June	30 September	30 September	30 September
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		2016	2016	2015	2016	2015
1	Segment revenue					
	a. Pharmaceuticals	76893	75463	71037	152356	141664
	b. Life Sciences Ingredients	61435	65029	75604	126464	151120
	c. Drug Discovery Solutions	3775	4967	2752	8742	5231
	Total	142103	145459	149393	287562	298015
	Less : Inter segment revenue	169	67	202	236	326
	Net Sales/Income from operations	141934	145392	149191	287326	297689
	a. Pharmaceuticals	76893	75463	71037	152356	141664
	b. Life Sciences Ingredients	61266	64967	75440	126233	150860
	c. Drug Discovery Solutions	3775	4962	2714	8737	5165
	Total	141934	145392	149191	287326	297689
2	Segment results (profit(+)/loss(-) before tax, exceptional Items and Interest from each segment)					
	a. Pharmaceuticals	20919	20984	17747	41903	36011
	b. Life Sciences Ingredients	8189	9674	8765	17863	18978
	c. Drug Discovery Solutions	(478)	1247	(590)	769	(1077)
	Total	28630	31905	25922	60535	53912
	Less : i Interest (Finance costs)	7996	8277	9214	16273	18330
	ii. Exceptional Items and un-allocable expenditure (net of un-allocable income)	1291	1802	611	3093	2698
	Total Profit/(Loss) before tax	19343	21826	16097	41169	32884
3	Segment assets					
	a. Pharmaceuticals	574788	570652	557657	574788	557657
	b. Life Sciences Ingredients	252542	245598	262027	252542	262027
	c. Drug Discovery Solutions	16263	16407	16147	16263	16147
	d. Unallocable corporate assets (excluding deferred tax assets)	22983	24340	27388	22983	27388
	Total Segment assets	866576	856997	863219	866576	863219
4	Segment liabilities					
	a. Pharmaceuticals	58599	48828	51447	58599	51447
	b. Life Sciences Ingredients	53042	43960	52821	53042	52821
	c. Drug Discovery Solutions	3056	2449	1917	3056	1917
	d. Unallocable corporate liabilities (excluding borrowings and deferred tax liabilities)	8626	5893	8120	8626	8120
	Total Segment liabilities	123323	101130	114305	123323	114305
5	Capital employed (Segment assets less Segment liabilities)					
	a. Pharmaceuticals	516189	521824	506210	516189	506210
	b. Life Sciences Ingredients	199500	201638	209206	199500	209206
	c. Drug Discovery Solutions	13207	13958	14230	13207	14230
	d. Unallocable corporate assets less liabilities	14357	18447	19268	14357	19268
	Total Capital employed	743253	755867	748914	743253	748914



Jubilant Life Sciences Limited
Note 2: Statement of Consolidated Unaudited Asset and Liabilities

(₹ in Lakhs)

Sr. No.	Particulars	As at
		30 September (Unaudited) 2016
A	ASSETS	
1.	Non-current assets	
	Property, plant and equipment	307384
	Capital work-in-progress	19967
	Goodwill	182589
	Other intangible assets	23588
	Intangible assets under development	43376
	Financial assets:	
	Investments	8349
	Loans	1194
	Other financial assets	3
	Deferred tax assets (net)	19146
	Income tax assets (net)	3726
	Other non-current assets	699
	Total non-current assets	610021
2.	Current assets	
	Inventories	122960
	Financial assets:	
	Trade receivables	93086
	Cash and cash equivalents	31364
	Other bank balances	310
	Loans	830
	Other financial assets	3121
	Income tax assets (net)	201
	Other current assets	23830
	Total current assets	275702
	Total assets	885723
B	EQUITY AND LIABILITIES	
1.	Equity	
	Equity share capital (Refer note 10)	1555
	Other equity	338442
	Total equity attributable to equity holders	339997
2.	Non-controlling interest	(3684)
	Total equity	336313
3.	Liabilities	
	Non-current liabilities	
	Financial liabilities	
	Borrowings	295920
	Other financial liabilities	8950
	Provisions	7448
	Deferred tax liabilities (net)	17308
	Other non-current liabilities	1368
	Total non-current liabilities	330994
	Current liabilities	
	Financial liabilities	
	Borrowings	74517
	Trade payables	74510
	Other financial liabilities	53264
	Other current liabilities	7397
	Provisions	3182
	Current tax liabilities (net)	5546
	Total current liabilities	218416
	Total equity and liabilities	885723

Note: Classification of loans between current and non-current is based on contracted maturities



3. Financial results for quarter and half year ended 30 September 2016 are in compliance with the Indian Accounting Standard (Ind-AS) prescribed under Section 133 of the Companies Act, 2013. Consequently, erstwhile Indian Generally Accepted Accounting Principles (IGAAP) results for the quarter and half year ended 30 September 2015 have been restated to make them comparable. The consolidated unaudited results of Jubilant Life Sciences Limited ("the Company") and its subsidiaries (collectively known as "the Group") are prepared in accordance with principles and procedures for the preparation and presentation of consolidated accounts as set out in Ind-AS 110 "Consolidated Financial Statements" prescribed under section 133 of the Companies Act, 2013. Reconciliation of net profit as reported under erstwhile Indian GAAP and as restated now under Ind-AS is as under:

Particulars	₹ (in Lakhs)	
	Quarter Ended	Half Year Ended
	30 September	30 September
	(Unaudited)	(Unaudited)
	2015	2015
Net profit as reported earlier under erstwhile IGAAP	11582	24388
i) Mark-to-market gain recognition on forward contracts (Refer note i below)	(127)	(907)
ii) Incremental capitalization of borrowing cost (Refer note ii below)	528	1052
iii) Fair valuation of investments, classified as fair value through profit or loss (Refer note iii below)	60	97
iv) Others (Refer note iv below)	152	303
v) Tax adjustments, net (Refer note v below)	285	580
vi) Minority interest (Refer note vi below)	162	322
Net profit now reported under Ind-AS	12642	25835

- i) Represents consequential change on recognition of mark-to-market gain on forward contracts in the opening retained earnings which was not permitted under erstwhile IGAAP.
- ii) Represents incremental capitalization of borrowing cost by applying avoidable interest cost method on certain specific borrowings which was not permitted under erstwhile IGAAP.
- iii) Investments (other than Investment in subsidiaries) have been classified as "fair value through profit or loss" under Ind-AS as against cost basis under erstwhile IGAAP and consequential adjustment has been reflected in the opening retained earnings and respective periods in which fair value changed or profit on sale of investment is recorded.
- iv) Others include adjustments resulting from differences in accounting for employee stock option plans, classification of actuarial gain/ loss to OCI, depreciation/ amortization on incremental capitalization of borrowing cost etc.
- v) Tax adjustments on all above mentioned adjustments to pre-tax profit including elimination adjustments in consolidation.
- vi) The minority's share in losses of subsidiary accounted under "Minority interest" under Ind-AS, which under erstwhile IGAAP was accounted for by the parent, as cumulative minority's losses exceeded minority's equity.
4. As per Ind-AS 108, Operating Segments have been defined and presented based on the regular review by the Company's Chief Operating Decision Maker to assess the performance of each segment and to make decision about allocation of resources. The accounting principles used in the preparation of the financial results are consistently applied to record revenue and expenditure in individual segments.
5. Jubilant Pharma Limited Singapore, a wholly-owned subsidiary of the Company, on 6 October 2016 issued its rated unsecured high yield bonds (the Notes) for principle amount of US \$ 300 million at a yield of 4.875% per annum, under Regulation S of the U.S. Securities Act of 1933. The notes will mature in October 2021 and the proceeds are being used to retire the existing debts.
6. The Company has opted to publish consolidated unaudited results for the Financial Year 2017. The standalone unaudited results are available under Investor Relations section of our website at www.jubl.com and under Financial Results at Corporates section of www.nseindia.com and www.bseindia.com. Key standalone financial information of the Company is as under:

Particulars	₹ (in Lakhs)				
	Quarter Ended			Half Year Ended	
	30 September	30 June	30 September	30 September	30 September
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	2016	2016	2015	2016	2015
Total income from operations (net)	60640	61864	74554	122504	145120
Profit/(loss) before tax (after exceptional items)	3503	3215	4930	6718	5542
Net profit/(loss) after tax (after exceptional items)	2412	2098	5161	4510	5445

7. Depreciation and amortization includes ₹ 69 lakhs, ₹ 85 lakhs, ₹ 288 lakhs, ₹ 154 lakhs and ₹ 288 lakhs for the quarters ended 30 September 2016, 30 June 2016, 30 September 2015 and half year ended 30 September 2016, 30 September 2015, respectively, representing write off of certain product related internally generated intangibles on technical and financial assessment.
8. Finance costs for the quarters ended 30 September 2016, 30 June 2016, 30 September 2015 and half year ended 30 September 2016, 30 September 2015 include ₹ 947 lakhs, ₹ 935 lakhs, ₹ 955 lakhs, ₹ 1882 lakhs, ₹ 1876 lakhs, respectively, towards charge on zero coupon financing of US\$ 60 million from International Finance Corporation in Jubilant Pharma Limited Singapore, a wholly owned subsidiary of the Company.
9. Exceptional items represent changes in fair value of investments which are classified as fair value through profit or loss.
10. The Company has consolidated the accounts of Jubilant Employee Welfare Trust (Trust) into the Statement of Consolidated Unaudited Assets and Liabilities, consequently, total paid-up share capital of the Company amounting to ₹ 1593 lacs has been reduced by the amount of shares held by the Trust and the EPS for the current period and previous periods has been reported after adjusting the unallocated shares held by the Trust. The impact of such adjustment of shares held by Trust on basic and diluted EPS for all period presented is ₹ 0.21, ₹ 0.24, ₹ 0.17, ₹ 0.46 and ₹ 0.36 for the quarters ended 30 September 2016, 30 June 2016, 30 September 2015 and half year ended 30 September 2016, 30 September 2015, respectively.
11. The above consolidated unaudited results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 27 October 2016. The consolidated unaudited results for the current quarter and previous periods presented, have been subjected to limited review by the Statutory Auditors of the Company. The review report of the Statutory Auditors is being filed with the BSE and National Stock Exchange. For more details on consolidated unaudited results, visit Investor Relations section of our website at www.jubl.com and Financial Results at Corporates section of www.nseindia.com and www.bseindia.com.



Place : Noida
Date : 27 October 2016

For Jubilant Life Sciences Limited


Hari S. Bhartia
Co-Chairman & Managing Director