

# 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

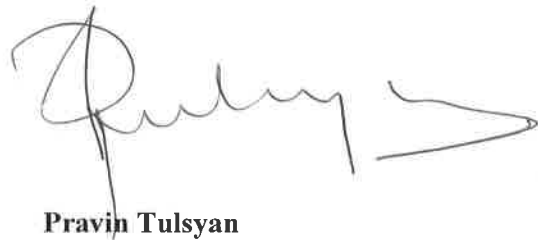
## Review Report to the Board of Directors of Jubilant Life Sciences Limited

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 nine months ended 31 December 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 7 February 2017. 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 Indian Accounting Standards (“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: 7 February 2017

## 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 Nine Months ended 31 December 2016

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended	
		31 December	30 September	31 December	31 December	31 December
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		2016	2016	2015	2016	2015
<b>1</b>	<b>Income from operations</b>					
	a) Net sales/Income from operations (inclusive of excise duty)	147223	139354	135818	430113	429659
	b) Other operating income	1941	2580	4241	6377	8089
	<b>Total income from operations (net)</b>	<b>149164</b>	<b>141934</b>	<b>140059</b>	<b>436490</b>	<b>437748</b>
<b>2</b>	<b>Expenses</b>					
	a) Cost of materials consumed	46721	41245	48474	132589	152772
	b) Purchase of stock-in-trade	6118	4510	3050	14300	10946
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3880)	(224)	(3358)	(5985)	(8819)
	d) Excise duty on sales	3342	3384	3392	10165	11316
	e) Power and fuel expense	8280	7724	8663	24068	28806
	f) Employee benefits expense	30916	30141	28172	90647	83804
	g) Depreciation and amortization expense (Refer note 6 below)	7265	7201	7466	21618	21998
	h) Other expenses	24485	21121	21086	66675	63522
	<b>Total expenses</b>	<b>123247</b>	<b>115102</b>	<b>116945</b>	<b>354077</b>	<b>364345</b>
<b>3</b>	<b>Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>25917</b>	<b>26832</b>	<b>23114</b>	<b>82413</b>	<b>73403</b>
<b>4</b>	Other income	512	492	285	1433	1113
<b>5</b>	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>26429</b>	<b>27324</b>	<b>23399</b>	<b>83846</b>	<b>74516</b>
<b>6</b>	Finance costs (Refer note 7 below)	9819	7996	8861	26092	27191
<b>7</b>	<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>16610</b>	<b>19328</b>	<b>14538</b>	<b>57754</b>	<b>47325</b>
<b>8</b>	Exceptional items (Refer note 8 below)	(38)	(15)	18	(63)	(79)
<b>9</b>	<b>Profit/(Loss) from ordinary activities before tax (7-8)</b>	<b>16648</b>	<b>19343</b>	<b>14520</b>	<b>57817</b>	<b>47404</b>
<b>10</b>	Tax expense (Net)	4799	4972	2358	15195	9729
<b>11</b>	<b>Net Profit/(Loss) from ordinary activities after tax (9-10)</b>	<b>11849</b>	<b>14371</b>	<b>12162</b>	<b>42622</b>	<b>37675</b>
<b>12</b>	Extraordinary items (net of tax expense)	-	-	-	-	-
<b>13</b>	<b>Net Profit/(Loss) for the period (11-12)</b>	<b>11849</b>	<b>14371</b>	<b>12162</b>	<b>42622</b>	<b>37675</b>
<b>14</b>	Share of Profit/(Loss) of associates	-	-	-	-	-
<b>15</b>	Minority interest	(129)	(106)	(139)	7	(461)
<b>16</b>	<b>Net Profit/(Loss) after taxes, minority interest and share of profit/loss of associates (13-14-15)</b>	<b>11978</b>	<b>14477</b>	<b>12301</b>	<b>42615</b>	<b>38136</b>
<b>17</b>	Other Comprehensive Income after tax (OCI) (including movement in foreign currency translation reserve)	(1021)	(4667)	(1386)	(2195)	(540)
<b>18</b>	<b>Total Comprehensive Income after tax (16+17)</b>	<b>10957</b>	<b>9810</b>	<b>10915</b>	<b>40420</b>	<b>37596</b>
<b>19</b>	Paid-up equity share capital (Face value per share ₹ 1) (Refer note 9 below)	1557	1555	1553	1557	1553
<b>20</b>	Earnings per share of ₹ 1 each before and after extraordinary items (Not annualized) (Refer note 9 below)					
	Basic (₹)	7.69	9.30	7.90	27.35	24.50
	Diluted (₹)	7.69	9.29	7.89	27.33	24.47
	<b>See accompanying notes to the Consolidated Unaudited Results</b>					



## Jubilant Life Sciences Limited

Note1: Consolidated Unaudited Segment wise Revenue, Results, Assets, Liabilities and Capital Employed for the Quarter and Nine Months ended 31 December 2016

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended	
		31 December	30 September	31 December	31 December	31 December
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		2016	2016	2015	2016	2015
1	<b>Segment revenue</b>					
	a. Pharmaceuticals	78462	76893	68383	230818	210047
	b. Life Sciences Ingredients	66584	61435	68419	193048	219539
	c. Drug Discovery Solutions	4369	3775	3445	13111	8676
	<b>Total</b>	<b>149415</b>	<b>142103</b>	<b>140247</b>	<b>436977</b>	<b>438262</b>
	Less : Inter segment revenue	251	169	188	487	514
	<b>Net Sales/Income from operations</b>	<b>149164</b>	<b>141934</b>	<b>140059</b>	<b>436490</b>	<b>437748</b>
	a. Pharmaceuticals	78462	76893	68383	230818	210047
	b. Life Sciences Ingredients	66333	61266	68273	192566	219133
	c. Drug Discovery Solutions	4369	3775	3403	13106	8568
	<b>Total</b>	<b>149164</b>	<b>141934</b>	<b>140059</b>	<b>436490</b>	<b>437748</b>
2	<b>Segment results (profit+)/loss(-) before tax, exceptional items and interest from each segment)</b>					
	a. Pharmaceuticals	20067	20919	17555	61970	53566
	b. Life Sciences Ingredients	7734	8189	7497	25597	26475
	c. Drug Discovery Solutions	258	(478)	(364)	1027	(1441)
	<b>Total</b>	<b>28059</b>	<b>28630</b>	<b>24688</b>	<b>88594</b>	<b>78600</b>
	Less : i Interest (Finance costs)	9819	7996	8861	26092	27191
	ii. Exceptional items and un-allocable expenditure (net of un-allocable income)	1592	1291	1307	4685	4005
	<b>Total Profit/(Loss) before tax</b>	<b>16648</b>	<b>19343</b>	<b>14520</b>	<b>57817</b>	<b>47404</b>
3	<b>Segment assets</b>					
	a. Pharmaceuticals	584585	574788	551445	584585	551445
	b. Life Sciences Ingredients	252971	252542	247170	252971	247170
	c. Drug Discovery Solutions	17670	16263	16348	17670	16348
	d. Unallocable corporate assets (excluding deferred tax assets)	24514	22983	27586	24514	27586
	<b>Total Segment assets</b>	<b>879740</b>	<b>866576</b>	<b>842549</b>	<b>879740</b>	<b>842549</b>
4	<b>Segment liabilities</b>					
	a. Pharmaceuticals	56851	58599	47133	56851	47133
	b. Life Sciences Ingredients	52318	53042	45025	52318	45025
	c. Drug Discovery Solutions	3110	3056	2301	3110	2301
	d. Unallocable corporate liabilities (excluding borrowings and deferred tax liabilities)	11264	8626	9093	11264	9093
	<b>Total Segment liabilities</b>	<b>123543</b>	<b>123323</b>	<b>103552</b>	<b>123543</b>	<b>103552</b>
5	<b>Capital employed (Segment assets less Segment liabilities)</b>					
	a. Pharmaceuticals	527734	516189	504312	527734	504312
	b. Life Sciences Ingredients	200653	199500	202145	200653	202145
	c. Drug Discovery Solutions	14560	13207	14047	14560	14047
	d. Unallocable corporate assets less liabilities	13250	14357	18493	13250	18493
	<b>Total Capital employed</b>	<b>756197</b>	<b>743253</b>	<b>738997</b>	<b>756197</b>	<b>738997</b>



2. Financial results for quarter and nine months ended 31 December 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 nine months ended 31 December 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	Nine Months Ended
	31 December (Unaudited)	31 December (Unaudited)
	2015	2015
Net profit as reported earlier under erstwhile IGAAP	11693	36081
i) Mark-to-market gain recognition on forward contracts (Refer note i below)	-	(907)
ii) Incremental capitalization of borrowing cost (Refer note ii below)	393	1445
iii) Others (Refer note iii below)	131	531
iv) Tax adjustments, net (Refer note iv below)	(55)	525
v) Minority interest (Refer note v below)	139	461
Net profit now reported under Ind-AS	12301	38136

- 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) 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, changes in fair value of investments (other than investment in subsidiaries) classified as "fair value through profit or loss", etc.
- iv) Tax adjustments on all above mentioned adjustments to pre-tax profit including elimination adjustments in consolidation.
- v) 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.
3. 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.

4. i) The Company has completed on 27 January 2017, issuance of Secured Rated Listed Redeemable Non-Convertible Debentures (NCDs) aggregating to ₹ 49500 lakhs for cash at par on private placement basis. The NCDs, listed on National Stock Exchange of India, comprising four STRPPs repayable in the second, third, fourth and fifth years and having an overall yield of 8.65% per annum, are secured by a first pari passu charge to be created on all the movable fixed assets and certain immovable fixed assets, both present and future of the Company. The asset cover exceeds the 100% of the principal amount of the NCDs and the net proceeds of NCDs shall be mainly used for refinancing of existing debts.

ii) As reported earlier, during the quarter ended 31 December 2016, Jubilant Pharma Limited Singapore, a wholly-owned subsidiary of the Company, 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.

5. The Company has opted to publish consolidated unaudited results for the year ending 31 March 2017. The standalone unaudited results are available under Investor Relations section of our website at [www.jubl.com](http://www.jubl.com) and under Financial Results at Corporates section of [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com). Key standalone financial information of the Company is as under:

Particulars	₹ in Lakhs				
	Quarter Ended			Nine Months Ended	
	31 December (Unaudited)	30 September (Unaudited)	31 December (Unaudited)	31 December (Unaudited)	31 December (Unaudited)
	2016	2016	2015	2016	2015
Total income from operations (net)	63801	60640	67807	186305	212927
Profit/(loss) before tax (after exceptional items)	1700	3503	1714	8418	7256
Net profit/(loss) after tax (after exceptional items)	826	2412	2895	5336	8340

6. Depreciation and amortization expense includes ₹ Nil, ₹ 69 lakhs, ₹ 277 lakhs, ₹ 154 lakhs and ₹ 565 lakhs for the quarters ended 31 December 2016, 30 September 2016, 31 December 2015 and nine months ended 31 December 2016, 31 December 2015, respectively, representing write off of certain product related internally generated intangibles on technical and financial assessment.

7. Finance costs:

i) for the quarter and nine months ended 31 December 2016 includes ₹ 1981 lakhs towards charge of unamortised transaction cost resulting from prepayment of existing debts consequent upon issue of high yield bonds for US \$ 300 million by Jubilant Pharma Limited, Singapore.

ii) for the quarters ended 31 December 2016, 30 September 2016, 31 December 2015 and nine months ended 31 December 2016, 31 December 2015 include ₹ 952 lakhs, ₹ 947 lakhs, ₹ 969 lakhs, ₹ 2834 lakhs and ₹ 2845 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.

8. Exceptional items represent changes in fair value of investments which are classified as fair value through profit or loss.

9. The Company has consolidated the accounts of Jubilant Employee Welfare Trust (Trust), consequently, total paid-up share capital of the Company amounting to ₹ 1593 lacs has been reduced by the number 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 ₹ 0.18, ₹ 0.21, ₹ 0.18, ₹ 0.60 and ₹ 0.56 for the quarters ended 31 December 2016, 30 September 2016, 31 December 2015 and nine months ended 31 December 2016, 31 December 2015, respectively.

10. The above consolidated unaudited results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 7 February 2017. 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](http://www.jubl.com) and Financial Results at Corporates section of [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com).

For Jubilant Life Sciences Limited

Place : Noida  
Date : 7 February 2017



*(Signature)*

Hari S. Bhartia  
Co-Chairman & Managing Director