

# B S R & Co. LLP

Chartered Accountants

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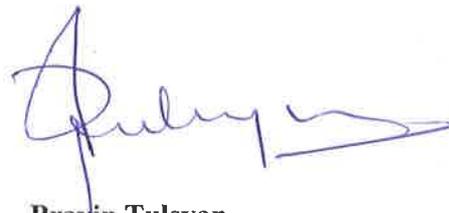
## Review Report to the Board of Directors of Jubilant Life Sciences Limited

1. We have reviewed the accompanying Statement of Standalone Unaudited Results (“the financial results”) of Jubilant Life Sciences Limited (“the Company”) 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 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 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 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

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Statement of Standalone 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)	62768	59696	66524	183384	209316
	b) Other operating income	1033	944	1283	2921	3611
	<b>Total Income from operations (net)</b>	<b>63801</b>	<b>60640</b>	<b>67807</b>	<b>186305</b>	<b>212927</b>
<b>2</b>	<b>Expenses</b>					
	a) Cost of materials consumed	30328	25677	33349	85296	107521
	b) Purchase of stock-in-trade	4568	3222	1705	9652	7554
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(3431)	1293	990	(3646)	(4125)
	d) Excise duty on sales	3076	3073	3108	9320	10575
	e) Power and fuel expense	6786	6147	6916	19358	23484
	f) Employee benefits expense	5683	5668	5364	16651	16046
	g) Depreciation and amortization expense	2083	2019	2192	6132	6516
	h) Other expenses	10126	7922	8618	26165	28432
	<b>Total expenses</b>	<b>59219</b>	<b>55021</b>	<b>62242</b>	<b>168928</b>	<b>196003</b>
<b>3</b>	<b>Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)</b>	<b>4582</b>	<b>5619</b>	<b>5565</b>	<b>17377</b>	<b>16924</b>
<b>4</b>	Other income	1321	2387	613	4183	5769
<b>5</b>	<b>Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)</b>	<b>5903</b>	<b>8006</b>	<b>6178</b>	<b>21560</b>	<b>22693</b>
<b>6</b>	Finance costs (Refer note 4 below)	4203	4503	4468	13142	15441
<b>7</b>	<b>Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)</b>	<b>1700</b>	<b>3503</b>	<b>1710</b>	<b>8418</b>	<b>7252</b>
<b>8</b>	Exceptional item (Refer note 6 below)	-	-	(4)	-	(4)
<b>9</b>	<b>Profit/(Loss) from ordinary activities before tax (7-8)</b>	<b>1700</b>	<b>3503</b>	<b>1714</b>	<b>8418</b>	<b>7256</b>
<b>10</b>	Tax expense (Net)	874	1091	(1181)	3082	(1084)
<b>11</b>	<b>Net Profit/(Loss) from ordinary activities after tax (9-10)</b>	<b>826</b>	<b>2412</b>	<b>2895</b>	<b>5336</b>	<b>8340</b>
<b>12</b>	Extraordinary items (net of tax expense)	-	-	-	-	-
<b>13</b>	<b>Net Profit/(Loss) for the period (11-12)</b>	<b>826</b>	<b>2412</b>	<b>2895</b>	<b>5336</b>	<b>8340</b>
<b>14</b>	Other Comprehensive Income after tax (OCI)	(16)	(20)	(43)	(55)	(129)
<b>15</b>	<b>Total Comprehensive Income after tax (13+14)</b>	<b>810</b>	<b>2392</b>	<b>2852</b>	<b>5281</b>	<b>8211</b>
<b>16</b>	Paid-up equity share capital (Face value per share ₹ 1)	1593	1593	1593	1593	1593
<b>17</b>	Earnings per share of ₹ 1 each before and after extraordinary items (Not annualized)					
	Basic (₹)	0.52	1.51	1.82	3.35	5.24
	Diluted (₹)	0.52	1.51	1.82	3.35	5.24
	See accompanying notes to the Standalone Unaudited Results					



## Jubilant Life Sciences Limited

Note 1: Standalone 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	464	443	375	1453	1412
	b. Life Sciences Ingredients	63337	60197	67432	184852	211515
	<b>Total</b>	<b>63801</b>	<b>60640</b>	<b>67807</b>	<b>186305</b>	<b>212927</b>
	Less : Inter segment revenue	-	-	-	-	-
	<b>Net Sales/Income from operations</b>	<b>63801</b>	<b>60640</b>	<b>67807</b>	<b>186305</b>	<b>212927</b>
	a. Pharmaceuticals	464	443	375	1453	1412
	b. Life Sciences Ingredients	63337	60197	67432	184852	211515
	<b>Total</b>	<b>63801</b>	<b>60640</b>	<b>67807</b>	<b>186305</b>	<b>212927</b>
2	<b>Segment results (profit+)/loss(-) before tax, exceptional items and interest from each segment)</b>					
	a. Pharmaceuticals	(679)	(685)	(547)	(1818)	(1929)
	b. Life Sciences Ingredients	6273	7236	7155	22469	23865
	<b>Total</b>	<b>5594</b>	<b>6551</b>	<b>6608</b>	<b>20651</b>	<b>21936</b>
	Less : i. Interest (Finance costs)	4203	4503	4468	13142	15441
	ii. Exceptional item and un-allocable expenditure (net of un-allocable income)	(309)	(1455)	426	(909)	(761)
	<b>Total Profit/(Loss) before tax</b>	<b>1700</b>	<b>3503</b>	<b>1714</b>	<b>8418</b>	<b>7256</b>
3	<b>Segment assets</b>					
	a. Pharmaceuticals	595	627	534	595	534
	b. Life Sciences Ingredients	232266	232561	220313	232266	220313
	c. Unallocable corporate assets (excluding deferred tax assets)	201879	200452	204043	201879	204043
	<b>Total Segment assets</b>	<b>434740</b>	<b>433640</b>	<b>424890</b>	<b>434740</b>	<b>424890</b>
4	<b>Segment liabilities</b>					
	a. Pharmaceuticals	538	683	575	538	575
	b. Life Sciences Ingredients	52902	53224	49317	52902	49317
	c. Unallocable corporate liabilities (excluding borrowings and deferred tax liabilities)	8316	6893	4996	8316	4996
	<b>Total Segment liabilities</b>	<b>61756</b>	<b>60800</b>	<b>54888</b>	<b>61756</b>	<b>54888</b>
5	<b>Capital employed (Segment assets less Segment liabilities)</b>					
	a. Pharmaceuticals	57	(56)	(41)	57	(41)
	b. Life Sciences Ingredients	179364	179337	170996	179364	170996
	c. Unallocable corporate assets less liabilities	193563	193559	199047	193563	199047
	<b>Total Capital employed</b>	<b>372984</b>	<b>372840</b>	<b>370002</b>	<b>372984</b>	<b>370002</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. Reconciliation of net profit as reported under erstwhile IGAAP 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	2823	8654
i) Mark-to-market gain recognition on forward contracts (Refer note i below)	-	(805)
ii) Incremental capitalization of borrowing cost (Refer note ii below)	44	133
iii) Others (Refer note iii below)	69	205
iv) Consequential tax adjustments	(41)	153
<b>Net profit now reported under Ind-AS</b>	<b>2895</b>	<b>8340</b>

- 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, reversal of lease equalization reserve, depreciation/amortization on incremental borrowing cost capitalized, changes in fair value of investments (other than investment in subsidiaries) classified as "fair value through profit or loss", etc.

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. Finance cost for the quarter and nine months ended 31 December 2016 includes ₹ 233 lakhs towards charge of unamortised transaction cost resulting from prepayment of existing debts consequent upon upstreaming of funds from subsidiary out of the proceeds from issue of high yield bonds for US \$ 300 million by Jubilant Pharma Limited, Singapore.

5. 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.

6. Exceptional items represent changes in fair value of investment which is classified as fair value through profit or loss.

7. The above standalone unaudited results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 7 February 2017. The standalone 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 standalone 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



Hari S. Bhartia  
Co-Chairman & Managing Director

Place : Noida  
Date : 7 February 2017

