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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 2017, 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 17 January 2018. 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 consolidated 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: 17 January 2018

Jubilant Life Sciences Limited

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Statement of Consolidated Unaudited Results for the Quarter and Nine Months ended 31 December 2017

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31 December	30 September	31 December	31 December	31 December	31 March
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		2017	2017	2016	2017	2016	2017
1	Revenue from operations						
	a) Sales/Income from operations (Refer note 3 below)	204147	162138	147223	524098	430113	591016
	b) Other operating income	2629	2066	1941	6487	6377	9616
	Total revenue from operations	206776	164204	149164	530585	436490	600632
2	Other income	322	709	512	1712	1433	2486
3	Total income (1+2)	207098	164913	149676	532297	437923	603118
4	Expenses						
	a) Cost of materials consumed	78285	56473	46721	189696	132589	192936
	b) Purchases of stock-in-trade	7942	5174	6118	16938	14300	18536
	c) Changes in inventories of finished goods, stock-in-trade and work-in progress	(7547)	(887)	(3880)	(8839)	(5985)	(11522)
	d) Excise duty on sales	-	22	3342	3997	10165	14489
	e) Employee benefits expense	42293	36880	30916	110205	90647	123093
	f) Finance costs (Refer note 5 below)	7706	6601	9819	21180	26092	34111
	g) Depreciation and amortization expense	8182	7901	7265	23331	21618	29140
	h) Other expenses:						
	- Power and fuel expense	11969	10289	8280	31304	24068	33366
	- Others	32150	25647	24485	81233	66675	95205
	Total expenses	180980	148100	133066	469045	380169	529354
5	Profit before exceptional items and tax (3-4)	26118	16813	16610	63252	57754	73764
6	Exceptional items	-	-	-	-	-	-
7	Profit before tax (5-6)	26118	16813	16610	63252	57754	73764
8	Tax expense	4834	4266	4799	15050	15195	16302
9	Net Profit for the period (7-8)	21284	12547	11811	48202	42559	57462
10	Other Comprehensive Income (OCI)						
	i) a) Items that will not be reclassified to profit or loss	24	(200)	16	(440)	(4)	416
	b) Income tax relating to items that will not be reclassified to profit or loss	38	38	12	109	30	141
	ii) a) Items that will be reclassified to profit or loss	(4154)	8178	(1011)	8202	(2158)	(6327)
	b) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
11	Total Comprehensive Income for the period (9+10)	17192	20563	10828	56073	40427	51692
	Net Profit attributable to:						
	Owners of the Company	21254	12826	11940	48794	42552	57565
	Non-controlling Interest	30	(279)	(129)	(592)	7	(103)
	Other Comprehensive Income attributable to:						
	Owners of the Company	(4091)	8016	(983)	7874	(2132)	(5757)
	Non-controlling Interest	(1)	-	-	(3)	-	(13)
	Total Comprehensive Income attributable to:						
	Owners of the Company	17163	20842	10957	56668	40420	51808
	Non-controlling Interest	29	(279)	(129)	(595)	7	(116)
12	Earnings per share of ₹ 1 each (not annualized)						
	Basic (₹)	13.64	8.23	7.66	31.31	27.30	36.93
	Diluted (₹)	13.64	8.23	7.66	31.31	27.28	36.91
13	Paid-up equity share capital (Face value per share ₹ 1)	1558	1557	1557	1558	1557	1557
14	Reserves excluding Revaluation Reserves						342047
	See accompanying notes to the Consolidated Unaudited Results						



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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 2017

(₹ in Lakhs)

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31 December	30 September	31 December	31 December	31 December	31 March
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		2017	2017	2016	2017	2016	2017
1	Segment revenue						
	a. Pharmaceuticals	110073	86033	78462	277905	230818	311665
	b. Life Sciences Ingredients	92574	73852	66584	240258	193048	271432
	c. Drug Discovery Solutions	4485	4426	4369	13029	13111	18241
	Total	207132	164311	149415	531192	436977	601338
	Less: Inter segment revenue	356	107	251	607	487	706
	Total revenue from operations	206776	164204	149164	530585	436490	600632
	a. Pharmaceuticals	110073	86015	78462	277887	230818	311665
	b. Life Sciences Ingredients	92245	73805	66333	239738	192566	270762
	c. Drug Discovery Solutions	4458	4384	4369	12960	13106	18205
	Total	206776	164204	149164	530585	436490	600632
2	Segment results (profit(+)/loss(-) before tax, exceptional items and interest from each segment)						
	a. Pharmaceuticals	17701	13821	20067	52009	61970	78596
	b. Life Sciences Ingredients	18505	10955	7734	38225	25597	35170
	c. Drug Discovery Solutions	65	211	258	11	1027	1263
	Total	36271	24987	28059	90245	88594	114969
	Less: i. Interest (Finance costs)	7706	6601	9819	21180	26092	34111
	ii. Exceptional items and un-allocable expenditure (net of un-allocable income)	2447	1573	1630	5813	4748	7094
	Profit before tax	26118	16813	16610	63252	57754	73764
3	Segment assets						
	a. Pharmaceuticals	607962	621547	584585	607962	584585	586963
	b. Life Sciences Ingredients	290172	268457	252971	290172	252971	260353
	c. Drug Discovery Solutions	17844	16776	17670	17844	17670	18007
	d. Unallocable corporate assets (excluding deferred tax assets)	20758	18783	24514	20758	24514	24552
	Total Segment assets	936736	925563	879740	936736	879740	889875
4	Segment liabilities						
	a. Pharmaceuticals	58960	60452	44346	58960	44346	44878
	b. Life Sciences Ingredients	77608	55836	52318	77608	52318	60289
	c. Drug Discovery Solutions	3341	3009	3110	3341	3110	3018
	d. Unallocable corporate liabilities (excluding borrowings and deferred tax liabilities)	35512	33701	23769	35512	23769	33036
	Total Segment liabilities	175421	152998	123543	175421	123543	141221
5	Capital employed (Segment assets less Segment liabilities)						
	a. Pharmaceuticals	549002	561095	540239	549002	540239	542085
	b. Life Sciences Ingredients	212564	212621	200653	212564	200653	200064
	c. Drug Discovery Solutions	14503	13767	14560	14503	14560	14989
	d. Unallocable corporate assets less liabilities	(14754)	(14918)	745	(14754)	745	(8484)
	Total Capital employed	761315	772565	756197	761315	756197	748654



2. The Company has opted to publish consolidated unaudited results for the year ending 31 March 2018. 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			Nine Months Ended		Year Ended
	31 December	30 September	31 December	31 December	31 December	31 March
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	2017	2017	2016	2017	2016	2017
Total revenue from operations	93383	73448	63801	237858	186305	262298
Profit before tax	14323	7827	1700	24891	8418	11452
Net profit after tax	9788	5688	826	17705	5336	7919

3. Sales/Income from operations for the current period and immediately preceding quarter is not comparable with previous periods since the same is net of Goods and Services Tax (GST) whereas excise duty formed part of expenses in previous periods.

The comparative sales/income from operations of the Group is given below:

Particulars	(₹ in Lakhs)					
	Quarter Ended			Nine Months Ended		Year Ended
	31 December	30 September	31 December	31 December	31 December	31 March
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	2017	2017	2016	2017	2016	2017
Sales/Income from operations (as reported)	204147	162138	147223	524098	430113	591016
Less: Excise duty on sales	-	22	3342	3997	10165	14489
Sales/Income from operations (net of excise duty)	204147	162116	143881	520101	419948	576527

4. The Secured Rated Listed Redeemable Non-Convertible Debentures (NCDs) aggregating to ₹ 49500 lakhs outstanding as at 31 December 2017 are secured by a first pari-passu charge by way of mortgage on certain immovable assets and all movable fixed assets, both present and future, of the Company. The asset cover thereof based on agreed methodology exceeds 100% of the outstanding principal amount of the said NCDs.

5. Finance costs for the quarters ended 31 December 2017, 30 September 2017, 31 December 2016, nine months ended 31 December 2017, 31 December 2016 and year ended 31 March 2017 include ₹ 2008 lakhs, ₹ 986 lakhs, ₹ 952 lakhs, ₹ 4391 lakhs, ₹ 2834 lakhs and ₹ 5434 lakhs, respectively, towards charge on zero coupon financing of US\$ 60 million from International Finance Corporation in Jubilant Pharma Limited ("JPL").

6. The US tax reforms has reduced federal tax rates from 35% to 21% effective 1 January 2018 amongst other measures. Consequential impact has been appropriately adjusted in the tax expense for the quarter and nine months ended 31 December 2017.

7. During the quarter, Jubilant Biosys Limited, a partly owned subsidiary of the Company has transferred its 100% holding in Jubilant Discovery Services Inc., USA (JDSI) to Drug Discovery and Development Solutions Limited, Singapore, a wholly owned subsidiary of the Company. Consequently, JDSI has become a wholly owned subsidiary of the Company. Further, two dormant step down subsidiaries, Jubilant Life Sciences (Switzerland) AG and DAHI Animal Health (UK) Limited have been liquidated during the quarter.

8. As reported in immediately preceding quarter, JPL, through one of its wholly owned step down subsidiaries, acquired the US radio pharmacy business of Triad Isotopes, Inc. (Triad) on 1 September 2017, for which preliminary purchase price allocation was performed.

9. Previous period figures have been regrouped / reclassified to conform to the current period's classification.

10. The above consolidated unaudited results were, subjected to limited review by the Statutory Auditors of the Company, reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 17 January 2018. 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.

For Jubilant Life Sciences Limited


Hari S. Bhartia
Co-Chairman & Managing Director

Place : Noida
Date : 17 January 2018

