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

1. We have reviewed the accompanying Statement of Unaudited Consolidated 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 the nine months ended 31 December 2014, attached herewith, being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement issued by the Securities and Exchange Board of India ("Listing Agreement") except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding", which have been traced from the disclosures made by the management and have not been reviewed by us. These consolidated financial results are the responsibility of the Company's management and have been approved by the Board of Directors on 3 February 2015. 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 accounting standards and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, 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



Akhil Bansal

Partner

Membership No.: 090906

Place: Noida

Date: 3 February 2015

Jubilant Life Sciences Limited

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CIN:L24116UP1978PLC004624

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Statement of Unaudited Consolidated Results for the Quarter and Nine Months ended 31 December 2014

(₹ in Lacs)

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)
		2014	2014	2013	2014	2013	2014
	PART I						
1	Income from operations						
	(a) Net sales/Income from operations (Net of excise duty)	143025	136211	142765	425289	416999	572161
	(b) Other operating income	1523	899	1684	3682	7104	8175
	Total Income from operations (net)	144548	137110	144449	428971	424103	580336
2	Expenses						
	a) Cost of materials consumed	58091	55897	57329	172675	161647	219209
	b) Purchase of stock-in-trade	5207	5996	8697	20591	25635	34892
	c) Change in inventories of finished goods, work-in-progress and stock-in-trade	(1046)	(1267)	(6499)	1536	(12565)	(9895)
	d) Power and fuel expense	9891	10006	9910	29789	29336	38974
	e) Employee benefits expense	27173	27121	28107	81516	82146	110517
	f) Depreciation and amortization expense (Refer note 6 below)	7951	6918	7327	22174	21251	28117
	g) Other expenses	26700	28258	21771	78682	61726	85879
	Total expenses	133967	132929	126642	406963	369176	507693
3	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	10581	4181	17807	22008	54927	72643
4	Other income	605	2642	400	3662	1402	1906
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	11186	6823	18207	25670	56329	74549
6	Finance costs (Refer note 7 below)	9607	9598	8537	26994	24872	32372
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	1579	(2775)	9670	(1324)	31457	42177
8	Exceptional items (Refer note 8 below)	19	(463)	(1051)	1423	25088	21449
9	Profit/(Loss) from ordinary activities before tax (7-8)	1560	(2312)	10721	(2747)	6369	20728
10	Tax expense (Net)	2022	6453	(4882)	5542	3441	6964
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(462)	(8765)	15603	(8289)	2928	13764
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(462)	(8765)	15603	(8289)	2928	13764
14	Share of Profit/(Loss) of associates	-	-	-	-	-	-
15	Minority Interest (Refer note 4 below)	654	646	1260	1760	1905	2860
16	Net Profit/(Loss) after taxes, minority interest and share of profit/loss of associates (13-14-15)	(1116)	(9411)	14343	(10049)	1023	10904
17	Paid-up equity share capital (Face value per share ₹ 1)	1593	1593	1593	1593	1593	1593
18	Reserves (excluding revaluation reserve)						261107
19	Earnings per share of ₹ 1 each before and after extraordinary items (Not annualized)						
	Basic (₹)	(0.70)	(5.91)	9.00	(6.31)	0.64	6.85
	Diluted (₹)	(0.70)	(5.91)	9.00	(6.31)	0.64	6.85
	PART II						
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- Number of shares (₹ 1 each)	73230083	73230083	73355083	73230083	73355083	73230083
	- Percentage of shareholding	45.98	45.98	46.05	45.98	46.05	45.98
2	Promoters and promoter group shareholding						
	a) Pledged/Encumbered						
	- Number of shares (₹ 1 each)	13637000	10715000	-	13637000	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	15.85	12.45	-	15.85	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	8.56	6.72	-	8.56	-	-
	b) Non-Encumbered						
	- Number of shares (₹ 1 each)	72414056	75336056	85926056	72414056	85926056	86051056
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	84.15	87.55	100.00	84.15	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the Company)	45.46	47.30	53.95	45.46	53.95	54.02
B	Investor Complaints						
	Pending at the beginning of the quarter	Nil					
	Received during the quarter	8					
	Disposed off during the quarter	8					
	Remaining unresolved at the end of the quarter	Nil					



Jubilant Life Sciences Limited

Note1: Unaudited Consolidated Segment wise Revenue, Results and Capital Employed for the Quarter and Nine Months ended 31 December 2014

Sr. No.	Particulars	Quarter Ended			Nine Months Ended		(₹ in Lacs)
		31 December	30 September	31 December	31 December	31 December	Year Ended
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
		2014	2014	2013	2014	2013	2014
1	Segment revenue						
	a. Pharmaceuticals	70101	61430	67707	191948	202295	272765
	b. Life Sciences Ingredients	74546	75882	76835	237416	222071	307928
	Total	144647	137312	144542	429364	424366	580693
	Less : Inter segment revenue	99	202	93	393	263	357
	Net Sales/Income from operations	144548	137110	144449	428971	424103	580336
	a. Pharmaceuticals	70101	61430	67707	191948	202295	272765
	b. Life Sciences Ingredients	74447	75680	76742	237023	221808	307571
	Total	144548	137110	144449	428971	424103	580336
2	Segment results (profit+)/loss(-) before tax and interest from each segment)						
	a. Pharmaceuticals	8452	2238	10664	9319	35136	44327
	b. Life Sciences Ingredients	3829	4066	9067	19016	26939	37402
	Total	12281	6304	19731	28335	62075	81729
	Less : i Interest (Finance costs)	9607	9598	8537	26994	24872	32372
	ii. Other un-allocable expenditure (including exceptional items)	1664	1600	873	7635	32236	30535
	iii. Un-allocable income (including exceptional items)	(550)	(2582)	(400)	(3547)	(1402)	(1906)
	Total Profit/(Loss) before tax	1560	(2312)	10721	(2747)	6369	20728
3	Capital Employed (Segment assets less Segment liabilities)						
	a. Pharmaceuticals	518179	502554	507547	518179	507547	498106
	b. Life Sciences Ingredients	219148	229327	228109	219148	228109	222819
	Total capital employed in segments	737327	731881	735656	737327	735656	720925
	Add: Un-allocable corporate assets less liabilities	10279	12940	8459	10279	8459	20755
	Total capital employed	747606	744821	744115	747606	744115	741680



✓

2. The Unaudited Consolidated Results of Jubilant Life Sciences Limited ("the Company") and its subsidiaries (collectively known as "the Group") are prepared in accordance with requirements of the Accounting Standard (AS) 21 "Consolidated Financial Statements" prescribed by the Company (Accounting Standards) Rules, 2006 (as amended).

3. The Company has opted to publish Consolidated Financials Results for Financial Year 2015. The Standalone Financial Results are available at Company's website, www.jubl.com and on the website of the Stock Exchanges, www.bseindia.com and www.nseindia.com. Key Standalone Financial Information of the Company is as under:

Particulars	Quarter Ended			Nine Months Ended			(₹ In Lacs)
	31 December	30 September	31 December	31 December	31 December	31 March	Year Ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
	2014	2014	2013	2014	2013	2014	
Total income from operations (net)	71482	70098	95071	245204	270194	367279	
Profit/(loss) before tax*	(1028)	28672	6535	46721	(11717)	(6816)	
Net profit/(loss) after tax*	(848)	21676	16452	41200	(1994)	82	

*After exceptional items

4. During the quarter, Jubilant Generics Inc. (JGI) a wholly owned step down subsidiary of the Company, acquired through tender offer process 17,018,378 equity shares held by the minority (representing approximately 82% of the minority shares not held by the Group) in Cadista Holding Inc. (CHI) for US \$ 1.60 per share. JGI also completed a short form merger with and into CHI and as result of the merger the remaining 3,735,228 shares belonging to minority were cancelled and converted into right to receive US \$ 1.60 per share in cash without interest, subject to appraisal law under the Delaware Law. As a result of the above transaction, CHI has become a step down wholly owned subsidiary of the Company with effect from 23 December 2014 and a notice of termination of registration under section 12(g) of the Security Exchange Act has also been filled with Security Exchange Commission, USA.

5. As reported earlier, the Pharma consolidation under the wholly owned subsidiary Jubilant Pharma Limited, Singapore (JPL) has been completed in previous quarters. Under Pharma consolidation, the Company's Active Pharmaceutical Ingredients, Dosage Forms business and shares held by the Company in Jubilant Pharma Holdings Inc., USA and Jubilant Pharma NV, Belgium have been transferred to Jubilant Generics Limited (JGL), a wholly owned Subsidiary of JPL. This being an intercompany transaction, though the related profit has been eliminated, the resultant tax expenses/(credit) thereof has been accounted in the consolidated financial results for the previous quarters and nine months ended 31 December 2014.

6. Depreciation and amortization expense :

i) Includes impairment of intangibles ₹ 780 lacs.

ii) Pursuant to the Companies Act, 2013 ('the Act') being effective from 1 April 2014, the Group in respect of its Indian entities has revised depreciation rates on fixed assets as per the useful life specified in Part 'C' of Schedule II of the Act. As a result of this change, the depreciation charge for the quarters ended 31 December 2014, 30 September 2014 and nine months ended 31 December 2014 is lower by ₹ 474 lacs, ₹ 567 lacs and ₹ 1332 lacs respectively. Further, based on the transitional provision provided in Note 7(b) of the Schedule II, an amount of ₹ 1207 lacs (after adjustment for related tax impact) has been debited to opening balance of retained earnings in respect of the fixed assets where life has expired as per the said Schedule as on 31 March 2014.

7. Finance costs include :

i) Exchange difference arising from foreign currency short-term borrowings regarded as an adjustment to interest costs as per Accounting Standard (AS) 16 "Borrowing Costs", and is gross of credit on the swap contracts as under:

Particulars	Quarter Ended			Nine Months Ended			(₹ In Lacs)
	31 December	30 September	31 December	31 December	31 December	31 March	Year Ended
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	
	2014	2014	2013	2014	2013	2014	
Finance costs net of credit on swap contracts	8582	7429	6510	22352	19650	26130	
Add: foreign exchange differences and credit on swap contracts	1025	2169	2027	4642	5222	6242	
Gross finance costs	9607	9598	8537	26994	24872	32372	

ii) Finance costs for the quarters ended 31 December 2014, 30 September 2014 and nine months ended 31 December 2014 include ₹ 949 lacs, ₹ 928 lacs and ₹ 2266 lacs respectively towards premium 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 for each period presented include:

i) Amortization of debit balance in Foreign Currency Monetary Items Translation Difference Account (FCMITDA) of ₹ 714 lacs, ₹ 778 lacs, ₹ 2540 lacs; ₹ 3927 lacs, ₹ 8965 lacs and ₹ 10002 lacs for the quarters ended 31 December 2014, 30 September 2014, 31 December 2013; nine months ended 31 December 2014, 31 December 2013 and year ended 31 March 2014; respectively, representing exchange difference on long-term foreign currency monetary liabilities which has been used for the purpose other than acquiring fixed assets.

ii) The remaining amount of exceptional items for all periods presented primarily represents foreign exchange difference for the period (excluding portion included in finance cost) and mark to market gain/ loss (net of related contractual recoveries) in respect of forward contracts, currency and interest rate swap contracts.

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

10. The above 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 3 February 2015. The review report of the Statutory Auditors is being filed with the Bombay Stock Exchange and National Stock Exchange and is also available on the Company's website at www.jubl.com.

For Jubilant Life Sciences Limited



Shyam S Bhartia
Chairman & Managing Director

Place : Noida

Date : 3 February 2015

