

# Jubilant Life Sciences

<b>BSE SENSEX</b>	<b>S&amp;P CNX</b>
37,931	11,407
Bloomberg	JUBILANT IN
Equity Shares (m)	155
M.Cap.(INRb)/(USDb)	94.9 / 1.4
52-Week Range (INR)	898 / 590
1, 6, 12 Rel. Per (%)	-10/-28/-34
12M Avg Val (INR M)	337
Free float (%)	49.3

## Financials & Valuations (INRb)

Y/E Mar	FY19	FY20E	FY21E
Net Sales	91.1	97.1	104.8
EBITDA	18.4	20.7	21.2
PAT	9.0	10.3	10.7
EPS (INR)	57.5	66.1	68.8
Gr. (%)	26.1	15.0	4.1
BV/Sh (INR)	308.7	369.3	432.4
RoE (%)	20.1	19.5	17.2
RoCE (%)	11.4	12.0	11.4
P/E (x)	10.4	9.0	8.7
P/BV (x)	1.9	1.6	1.4

Estimate change

TP change

Rating change



**CMP: INR596**

**TP: INR800 (+34%)**

**Buy**

## One-off impacts earnings; Margins to be range-bound in Pharma

- Pharma Segment drives revenue:** Sales at INR23.8b (in-line) was up 6% YoY. Pharmaceutical sales were up 13% YoY at INR13.9b, while Life Science Ingredients (LSI) declined 6% YoY to INR9.1b, dragging overall growth.
- Change in product mix drags margins:** Gross Margin (GM) stood at 59%, declining 120bp YoY/390bp QoQ, due to inferior product mix. A one-time charge of INR1b was recognized towards IPO expenses, penalties for non-supplies, litigation expenses and impact of higher cost inventory consumption in LSI. Adjusting for the same, EBITDA margin contracted ~100bp YoY to 19.3% (our est: 21.1%) due to higher raw material and employee cost as % of sales (21% vs 20% in 4QFY18).
- IFC loan repaid fully:** During the quarter, JUBILANT paid USD135m as one-time full stock settlement charge to IFC, and recognized INR2.4b as exceptional item. Adjusting for these, PAT stood at INR2.2b (our est. INR2.6b) and was stable YoY. For FY19, sales/EBITDA/PAT stood at INR91b/INR18.4b/INR8.9b and was up 21%/21%/26% YoY.
- Valuation view:** We reduce our EPS estimate by 5%/7% for FY20/21 to factor in remediation cost associated with compliance in the pharma segment, further penalties associated with non-supplies to customers, and reduced prices in LSI products. We also reduce EV/EBITDA multiple for pharma to 9x (prior: 10x) and for LSI to 5x (prior: 6x) to factor in (a) regulatory risk in the pharma segment, (b) gradual pick-up in radio-pharma, and (c) subdued outlook for the Life Science Chemical Segment. Accordingly, we roll our price target to INR800 on SOTP-based valuation. At CMP of INR595, JUBILANT trades at an attractive valuation of 6.3x FY20 EV/EBITDA and 5.7x FY21 EV/EBITDA. Maintain **Buy**.

## Consol. - Quarterly Earning Model

Y/E March	FY18				FY19E				(INR M)			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	FY18	FY19	FY19	vs Est
											4QE	(%)
<b>Net Sales</b>	<b>15,961</b>	<b>16,420</b>	<b>20,678</b>	<b>22,520</b>	<b>20,787</b>	<b>22,695</b>	<b>23,771</b>	<b>23,856</b>	<b>75,578</b>	<b>91,108</b>	<b>23,736</b>	<b>0.5</b>
YoY Change (%)	9.8	15.7	38.6	37.2	30.2	38.2	15.0	5.9	25.8	20.5		
Total Expenditure	12,584	13,359	16,509	17,941	16,411	18,193	18,838	19,246	60,394	72,688	18,722	2.8
<b>EBITDA</b>	<b>3,376</b>	<b>3,061</b>	<b>4,168</b>	<b>4,579</b>	<b>4,376</b>	<b>4,502</b>	<b>4,933</b>	<b>4,610</b>	<b>15,188</b>	<b>18,420</b>	<b>5,014</b>	<b>-8.1</b>
Margins (%)	21.2	18.6	20.2	20.3	21.1	19.8	20.8	19.3	20.1	20.2		
Depreciation	725	790	818	907	880	895	984	950	3,240	3,709	858	10.8
Interest	687	660	771	725	727	627	683	616	2,843	2,198	407	51.2
Other Income	68	71	32	229	95	38	290	-66	400	357	65	-201.0
<b>PBT before EO expense</b>	<b>2,032</b>	<b>1,682</b>	<b>2,612</b>	<b>3,176</b>	<b>2,864</b>	<b>3,018</b>	<b>3,556</b>	<b>2,978</b>	<b>9,505</b>	<b>12,870</b>	<b>3,814</b>	<b>-21.9</b>
Extra-Ord expense	0	0	0	910	0	0	151	3,378	910	3,529		
<b>PBT</b>	<b>2,032</b>	<b>1,682</b>	<b>2,612</b>	<b>2,266</b>	<b>2,864</b>	<b>3,018</b>	<b>3,405</b>	<b>-400</b>	<b>8,595</b>	<b>9,341</b>	<b>3,814</b>	<b>-110.5</b>
Tax	595	427	483	742	860	920	881	607	2,247	3,268	1,182	-48.7
Rate (%)	29.3	25.4	18.5	32.7	30.0	30.5	25.9	-151.8	26.1	35.0		
MI & Profit/Loss of Asso. Cos.	-34	-27	3	-25	0	0	0	0	-83	0		
<b>Reported PAT</b>	<b>1,471</b>	<b>1,282</b>	<b>2,125</b>	<b>1,549</b>	<b>2,004</b>	<b>2,098</b>	<b>2,524</b>	<b>-1,007</b>	<b>6,428</b>	<b>6,073</b>	<b>2,632</b>	<b>-138.2</b>
<b>Adj PAT</b>	<b>1,471</b>	<b>1,282</b>	<b>2,125</b>	<b>2,221</b>	<b>2,004</b>	<b>2,098</b>	<b>2,636</b>	<b>2,218</b>	<b>7,100</b>	<b>8,955</b>	<b>2,632</b>	<b>-15.7</b>
YoY Change (%)	-9.0	-11.4	80.0	49.0	36.2	63.6	24.0	-0.1	23.3	26.1		
Margins (%)	9.2	7.8	10.3	9.9	9.6	9.2	11.1	9.3	9.4	9.8		

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**Growth in CDMO and Generics offset by decline in LSI sales**

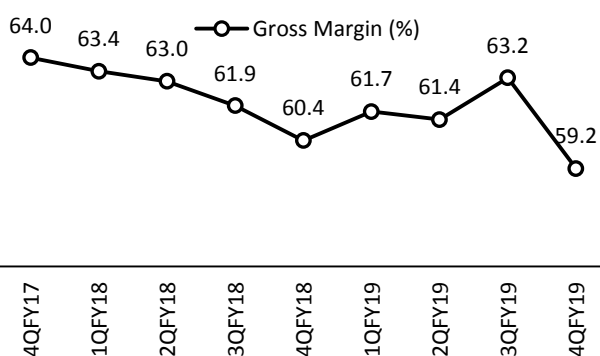
- JLS revenues came in at INR23.8b, up 6% YoY. Growth was largely led by Pharma segment (58% of sales) which grew 13% YoY at INR13.9b. Within Pharmaceuticals (a) CDMO grew 23% YoY at INR4.4b (b) Specialty pharma sales at INR7b grew 9% YoY (c) Generics grew 11% YoY to INR2.6b.
- Segment wise, Pharma (Ex-Triad) EBITDA margin came in at 34% Vs 37.4% YoY and 35% QoQ. LSI EBITDA stood at INR1b vs INR1.9b/INR1.3b YoY/QoQ. The LSI segment (42% of sales) reported sales of INR9.1b and saw 6% YoY decline in sales.

**Exhibit 1: Segmental Performance**

(INR b)	FY17				FY18				FY19			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Pharma(ex-Triad)	7.6	7.7	7.9	8.1	8.2	7.4	7.8	8.0	8.6	10.1	11.1	10.7
YoY (%)	7.2	8.3	14.8	3.0	8.3	11.9	-1.2	-1.5	5.4	17.0	42.8	35.0
Triad sales						1.2	3.3	4.4	3.3	3.3*	3.1*	3.2*
LSI	6.5	6.1	6.6	7.8	7.4	7.4	9.3	9.7	8.5	8.9	9.0	9.1
YoY (%)	-9.5	-14.4	1.7	13.2	13.4	20.5	39.6	24.0	14.9	20.1	-2.9	-6.0
DDS	0.5	0.4	0.4	0.5	0.4	0.4	0.4	0.5	0.5	0.5	0.6	0.7
YoY (%)	100.0	39.0	29.4	27.5	-18.0	16.5	1.9	-8.0	13.2	13.0	33.8	58.9
Total	14.6	14.2	14.9	16.4	16.0	16.4	20.7	22.5	20.8	22.7	23.8	23.9
YoY (%)	-0.1	-0.4	11.7	8.3	12.4	15.7	38.8	37.4	30.3	38.1	14.8	5.8

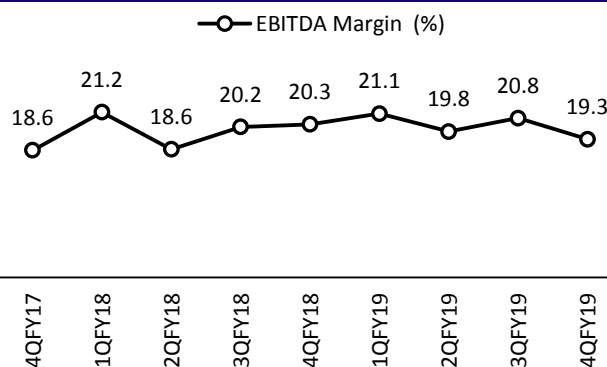
Note: \*Estimate; Source: MOFSL, Company

**Exhibit 2: Gross margin declined 120bp YoY**



Source: Company, MOFSL

**Exhibit 3: EBITDA margin declined 100bp YoY**



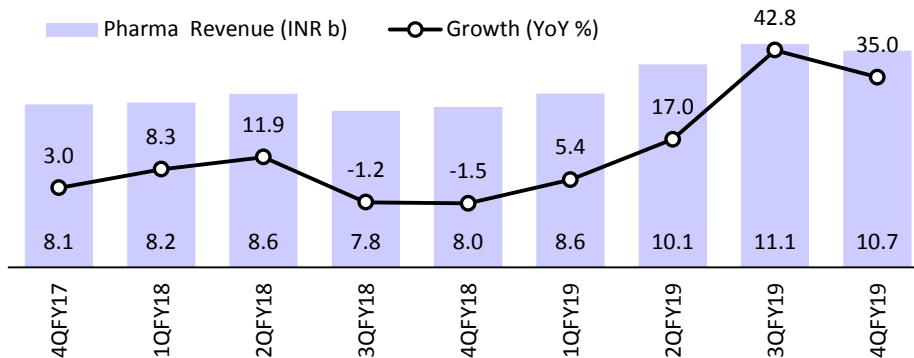
Source: Company, MOFSL

**Pharma segment supports overall revenue growth...**

- Specialty pharma (50% of pharma sales) grew 9% YoY to INR6.9b driven by Allergy and Radiopharma business. In Allergy segment, JLS is growing on the back of increased sales of venom and extracts.
- CDMO (32% of pharma sales) was up 23% YoY to INR4.4b driven by healthy growth in the API business due to favorable market condition for some key products. The CMO business also saw better volumes and pricing. The new Lyo equipment is now installed at Spokane facility and validations are underway. JLS expects commercialization from here by 2HFY20.

- Generics (18% of pharma sales) were up 11% YoY to INR2.5b on account of healthy performance and favorable market conditions in some of the key products. JLS has submitted responses to USFDA with regards to the warning letter for the Roorkee plant.
- For FY19, Pharma sales stood at INR53.2b and grew 33% YoY driven by robust performance in all 3 segments - Specialty pharma (+42% YoY)/CDMO (+22% YoY)/Generics (+27% YoY) at INR28.3b/INR14.7b/INR10.2b.

**Exhibit 4: Ex-Triad, Pharma segment grew 35% YoY**

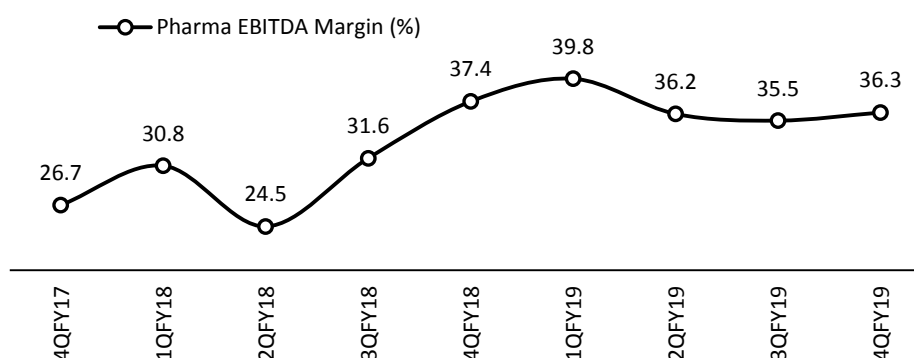


Source: MOFSL, Company

**Increased share of higher value products maintains margins at elevated levels**

- Adjusting for the Triad business, Pharma EBITDA margin is 36.3% for the quarter, shrinking 110bp YoY. Overall, EBITDA margin for the pharmaceutical segment stood at 20.5%, up ~400bp YoY. EBITDA for this business was INR3.9b (assuming nominal EBITDA from Triad business), up 31% YoY, partly on low base of past year.

**Exhibit 5: Pharma (Ex-Triad) margins were down 110bp YoY**



Note: EBITDA margin is adj. for Triad business for like-to-like comparison

Source: MOFSL, Company

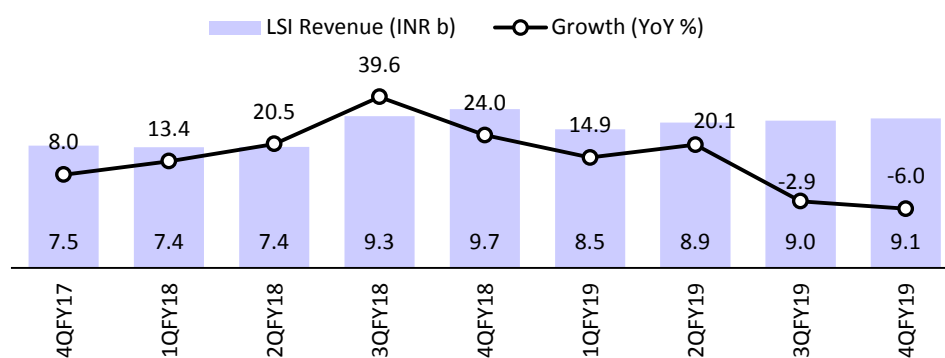
**A healthy product pipeline to ensure sustained growth**

- During the quarter, JLS spent INR680m towards R&D, which was 4.8% of segment sales. Of this, INR510m was charged to P&L. Cumulative ANDA filings at end-4QFY19 stood at 96, with 35 ANDAs pending for approval.

### LSI sees YoY decline on high base of past year

- LSI segment (42% of sales) revenues declined 6% YoY to INR9.1b. Sales were down because of poor pricing environment for Acetic acid which led to lower sales of Life sciences chemicals segment. JLS expects to commission its new Acetic Anhydride plant in 1QFY20 and expects incremental revenues of INR3b from this facility. In Specialty intermediates, the company launched 2 new products with commercial supplies to customers. Nutritional products saw sequential improvement in business with the demand scenario now improving. Prices of Vitamin B3 and molasses also witnesses increasing trend during the quarter.

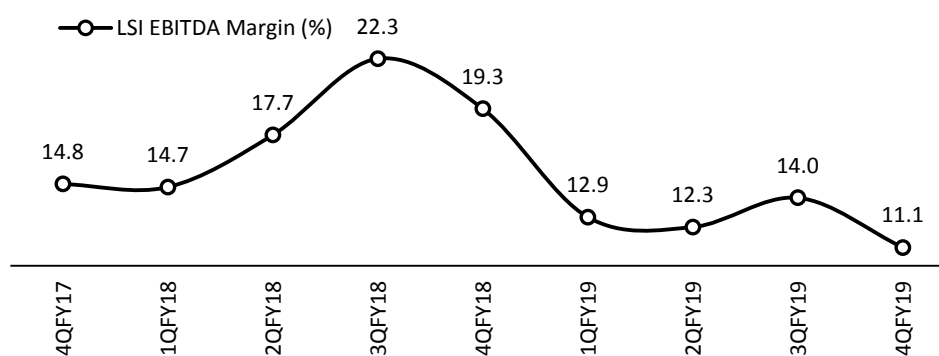
**Exhibit 6: LSI segment revenues decline 6% YoY on unfavorable pricing**



Source: MOFSL, Company

- The LSI segment margin declined 390bp QoQ to 11.1% due to lower price of acetic acid. However the company is seeing increasing price trend in Vitamin B3.

**Exhibit 7: 390bp sequential decline in LSI's EBITDA margin**



Source: MOFSL, Company

### Net debt inches up

- JLS' net debt increased to INR34.9b vs INR32.3b in FY18; average blended interest rate cost stood at 6.18% pa FY19.

**Exhibit 8: Debt profile**

Particulars (INR m)	FY18	FY19
Gross Debt	34,800	48,600
Cash & Cash Equivalent	2,490	13,700
Net Debt	32,310	34,900

Source: MOFSL, Company

**Capex update**

- JLS spent ~INR1.6b towards capex in 4QFY19 and INR5.6b in FY19. Capex was used for de-bottlenecking initiatives for specialty intermediates to meet additional demand and capacity addition for Acetic Anhydride. JLS has guided for capex of INR5b in FY20.

**Valuation**

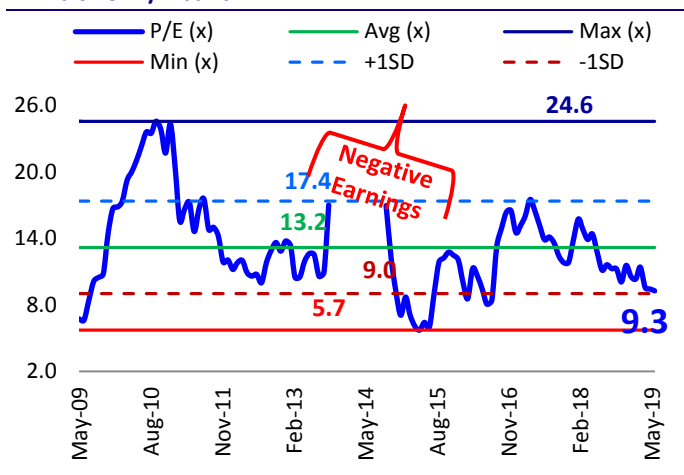
- We reduce our EPS estimate by 5%/7% for FY20/21 to factor remediation cost associated with compliance in pharma segment, penalties associated with non-supplies to customers and reduced prices in LSI products. We also reduce EV/EBITDA multiple for pharma to 9x (prior: 10x) and for LSI to 5x (prior: 6x) to factor a) regulatory risk in pharma segment b) gradual pick-up in radio-pharma and c) subdued outlook in Life Science chemical segment. Accordingly, we roll our price target to INR800 on SOTP based valuation. At CMP of INR595, JUBILANT trades at attractive valuation of 6.3x FY20 EV/EBITDA and 5.7x FY21 EV/EBITDA. Maintain **Buy**.

**Exhibit 9: SOTP-based price target of INR800 per share**

Valuation	12M forward
<b>EBITDA of Pharma business (INR m)</b>	<b>15,171</b>
EV/EBITDA multiple for JOL	9
EV of Pharma (INR m)	136,535
<b>EBITDA of LSI business (INR m)</b>	<b>4,561</b>
EV/EBITDA multiple for JOL	5
EV of LSI (INR m)	22,804
Total EV (INR m)	159,339
Net Debt	34,900
<b>Market Cap (INR m)</b>	<b>124,439</b>
Target Price (INR per share)	800
CMP	595
<b>Potential upside (%)</b>	<b>34.4</b>

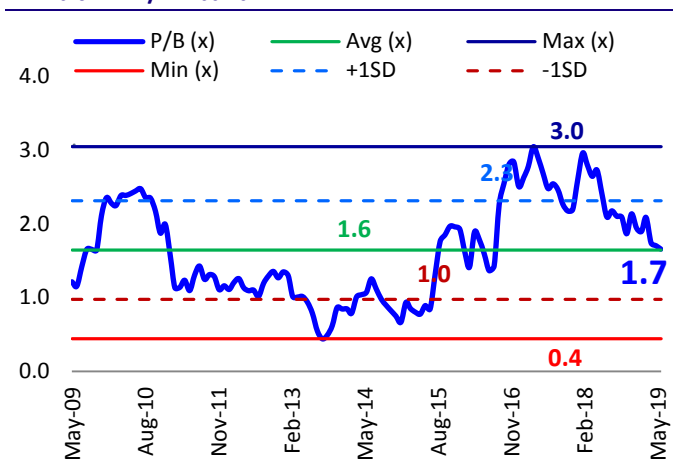
Source: MOFSL

**Exhibit 10: P/E band**



Source: MOFSL

**Exhibit 11: P/BV band**



Source: MOFSL

## Financials and valuations

Consolidated - Income Statement								(INR M)
Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<b>Total Income from Operations</b>	<b>58,034</b>	<b>58,263</b>	<b>57,491</b>	<b>58,614</b>	<b>75,578</b>	<b>91,108</b>	<b>97,137</b>	<b>104,803</b>
Change (%)	12.3	0.4	-1.3	2.0	28.9	20.5	6.6	7.9
Raw Materials	24,421	26,617	21,175	19,995	28,688	35,218	37,398	40,035
Employees Cost	11,052	10,903	11,251	12,309	15,559	19,260	20,534	22,154
Other Expenses	12,485	13,850	12,596	12,857	16,148	18,210	18,456	21,380
<b>Total Expenditure</b>	<b>47,958</b>	<b>51,370</b>	<b>45,022</b>	<b>45,161</b>	<b>60,394</b>	<b>72,688</b>	<b>76,388</b>	<b>83,569</b>
% of Sales	82.6	88.2	78.3	77.0	79.9	79.8	78.6	79.7
<b>EBITDA</b>	<b>10,076</b>	<b>6,893</b>	<b>12,470</b>	<b>13,453</b>	<b>15,184</b>	<b>18,420</b>	<b>20,749</b>	<b>21,234</b>
Margin (%)	17.4	11.8	21.7	23.0	20.1	20.2	21.4	20.3
Depreciation	2,812	2,880	3,467	2,914	3,241	3,709	4,099	4,437
<b>EBIT</b>	<b>7,264</b>	<b>4,013</b>	<b>9,002</b>	<b>10,539</b>	<b>11,943</b>	<b>14,711</b>	<b>16,650</b>	<b>16,797</b>
Int. and Finance Charges	3,237	3,553	3,714	3,411	2,843	2,198	2,326	2,120
Other Income	191	425	134	249	400	357	389	419
<b>PBT bef. EO Exp.</b>	<b>4,218</b>	<b>884</b>	<b>5,422</b>	<b>7,376</b>	<b>9,501</b>	<b>12,870</b>	<b>14,713</b>	<b>15,096</b>
EO Items	-2,145	-481	0	0	-910	-3,529	0	0
<b>PBT after EO Exp.</b>	<b>2,073</b>	<b>403</b>	<b>5,422</b>	<b>7,376</b>	<b>8,591</b>	<b>9,341</b>	<b>14,713</b>	<b>15,096</b>
Total Tax	696	805	1,554	1,630	2,247	3,268	4,414	4,378
Tax Rate (%)	33.6	199.6	28.7	22.1	26.2	35.0	30.0	29.0
Minority Interest	286	176	-50	-10	-84	0	0	0
<b>Reported PAT</b>	<b>1,090</b>	<b>-578</b>	<b>3,918</b>	<b>5,757</b>	<b>6,428</b>	<b>6,073</b>	<b>10,299</b>	<b>10,718</b>
<b>Adjusted PAT</b>	<b>2,515</b>	<b>-1,057</b>	<b>3,918</b>	<b>5,757</b>	<b>7,100</b>	<b>8,955</b>	<b>10,299</b>	<b>10,718</b>
Change (%)	-2.9	-142.0	-470.8	46.9	23.3	26.1	15.0	4.1
Margin (%)	4.3	-1.8	6.8	9.8	9.4	9.8	10.6	10.2

Consolidated - Balance Sheet								(INR M)
Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Equity Share Capital	155	159	155	156	156	159	159	159
Total Reserves	26,111	24,376	29,507	34,205	40,710	47,930	57,374	67,203
<b>Net Worth</b>	<b>26,265</b>	<b>24,535</b>	<b>29,663</b>	<b>34,361</b>	<b>40,865</b>	<b>48,089</b>	<b>57,533</b>	<b>67,362</b>
Minority Interest	1,579	0	-381	-393	-515	1	1	1
Total Loans	43,953	47,931	44,933	40,453	35,449	47,431	45,431	43,431
Deferred Tax Liabilities	2,371	2,380	1,146	445	26	528	528	528
<b>Capital Employed</b>	<b>74,168</b>	<b>74,847</b>	<b>75,359</b>	<b>74,865</b>	<b>75,825</b>	<b>96,049</b>	<b>103,492</b>	<b>111,321</b>
Gross Block	53,614	54,245	35,597	39,102	44,936	50,411	59,622	64,664
Less: Accum. Deprn.	22,319	24,508	2,864	5,657	9,807	13,516	17,615	22,052
<b>Net Fixed Assets</b>	<b>31,295</b>	<b>29,737</b>	<b>32,733</b>	<b>33,445</b>	<b>35,129</b>	<b>36,894</b>	<b>42,007</b>	<b>42,612</b>
Goodwill on Consolidation	19,693	19,376	18,311	17,622	18,877	19,589	19,589	19,589
Capital WIP	4,724	5,966	6,113	6,838	6,710	9,014	3,803	2,761
<b>Total Investments</b>	<b>340</b>	<b>395</b>	<b>854</b>	<b>1,027</b>	<b>1,235</b>	<b>1,151</b>	<b>1,151</b>	<b>1,151</b>
<b>Curr. Assets, Loans&amp;Adv.</b>	<b>32,587</b>	<b>30,714</b>	<b>29,385</b>	<b>30,055</b>	<b>32,621</b>	<b>46,541</b>	<b>55,062</b>	<b>64,920</b>
Inventory	13,414	12,353	12,031	12,204	13,914	14,174	14,895	16,296
Account Receivables	8,059	8,193	9,505	10,053	11,308	12,716	13,557	14,627
Cash and Bank Balance	4,795	3,944	3,446	4,596	2,488	13,704	20,270	27,156
Loans and Advances	6,318	6,225	4,403	3,202	4,912	5,947	6,341	6,841
<b>Curr. Liability &amp; Prov.</b>	<b>14,471</b>	<b>11,342</b>	<b>12,038</b>	<b>14,122</b>	<b>18,747</b>	<b>17,141</b>	<b>18,119</b>	<b>19,711</b>
Account Payables	7,498	7,669	6,328	7,909	11,362	10,201	10,721	11,728
Other Current Liabilities	2,205	2,028	3,487	4,425	5,897	5,109	5,447	5,877
Provisions	4,768	1,645	2,222	1,788	1,488	1,831	1,952	2,106
<b>Net Current Assets</b>	<b>18,116</b>	<b>19,372</b>	<b>17,348</b>	<b>15,933</b>	<b>13,874</b>	<b>29,400</b>	<b>36,943</b>	<b>45,209</b>
<b>Appl. of Funds</b>	<b>74,168</b>	<b>74,847</b>	<b>75,359</b>	<b>74,865</b>	<b>75,825</b>	<b>96,049</b>	<b>103,492</b>	<b>111,321</b>

## Financials and valuations

### Ratios

Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
<b>Basic (INR)</b>								
<b>EPS</b>	<b>16.1</b>	<b>-6.8</b>	<b>25.1</b>	<b>36.9</b>	<b>45.6</b>	<b>57.5</b>	<b>66.1</b>	<b>68.8</b>
Cash EPS	34.2	11.7	47.4	55.7	66.4	81.3	92.4	97.3
BV/Share	168.6	157.5	190.4	220.5	262.3	308.7	369.3	432.4
DPS	3.0	3.1	3.1	3.1	3.4	4.8	5.5	5.7
Payout (%)	49.9	-99.6	12.2	8.3	8.3	12.2	8.3	8.3
<b>Valuation (x)</b>								
P/E		-87.9	23.7	16.1	13.1	10.4	9.0	8.7
Cash P/E		50.9	12.6	10.7	9.0	7.3	6.4	6.1
P/BV		3.8	3.1	2.7	2.3	1.9	1.6	1.4
EV/Sales		2.3	2.3	2.2	1.7	1.4	1.2	1.0
EV/EBITDA		19.9	10.8	9.6	8.3	6.9	5.7	5.1
Dividend Yield (%)	0.5	0.5	0.5	0.5	0.6	0.8	0.9	1.0
FCF per share	33.9	27.9	48.8	51.7	38.0	15.1	72.9	73.7
<b>Return Ratios (%)</b>								
RoE	9.9	-4.2	14.5	18.0	18.9	20.1	19.5	17.2
RoCE	7.2	-6.2	8.9	11.2	12.1	11.4	12.0	11.4
RoIC	7.6	-6.2	9.9	12.9	13.8	13.9	15.5	15.0
<b>Working Capital Ratios</b>								
Fixed Asset Turnover (x)	1.1	1.1	1.6	1.5	1.7	1.8	1.6	1.6
Asset Turnover (x)	0.8	0.8	0.8	0.8	1.0	0.9	0.9	0.9
Inventory (Days)	84	77	76	76	67	57	56	57
Debtor (Days)	51	51	60	63	55	51	51	51
Creditor (Days)	47	48	40	49	55	41	40	41
<b>Leverage Ratio (x)</b>								
Current Ratio	2.3	2.7	2.4	2.1	1.7	2.7	3.0	3.3
Interest Cover Ratio	2.2	1.1	2.4	3.1	4.2	6.7	7.2	7.9
Net Debt/Equity	1.5	1.8	1.4	1.0	0.8	0.7	0.4	0.2

### Consolidated - Cash Flow Statement

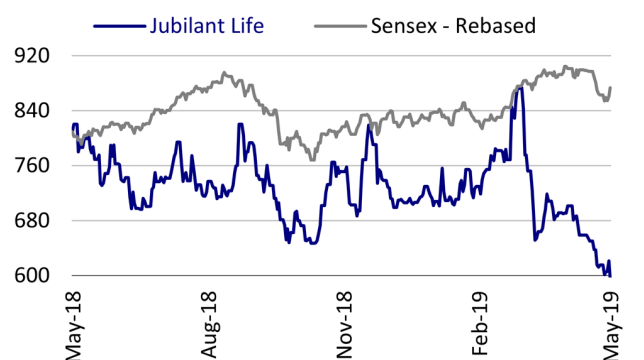
Y/E March	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
OP/(Loss) before Tax	2,073	403	5,422	7,376	9,501	12,870	14,713	15,096
Depreciation	2,812	2,880	3,467	2,914	3,241	3,709	4,099	4,437
Interest & Finance Charges	3,185	3,491	3,686	3,323	2,443	1,841	1,938	1,701
Direct Taxes Paid	-809	-793	-481	-1,439	-2,247	-3,268	-4,414	-4,378
(Inc)/Dec in WC	-1,107	964	-1,332	369	-50	-4,309	-978	-1,379
<b>CF from Operations</b>	<b>6,153</b>	<b>6,945</b>	<b>10,763</b>	<b>12,543</b>	<b>12,888</b>	<b>10,843</b>	<b>15,357</b>	<b>15,477</b>
Others	1,569	888	225	142	0	0	0	0
<b>CF from Operating incl EO</b>	<b>7,723</b>	<b>7,833</b>	<b>10,989</b>	<b>12,685</b>	<b>12,888</b>	<b>10,843</b>	<b>15,357</b>	<b>15,477</b>
(Inc)/Dec in FA	-2,438	-3,491	-3,392	-4,623	-6,961	-8,491	-4,000	-4,000
<b>Free Cash Flow</b>	<b>5,285</b>	<b>4,341</b>	<b>7,597</b>	<b>8,062</b>	<b>5,927</b>	<b>2,352</b>	<b>11,357</b>	<b>11,477</b>
(Pur)/Sale of Investments	-63	-42	257	74	-208	84	0	0
Others	156	-125	76	-126	400	357	389	419
<b>CF from Investments</b>	<b>-2,344</b>	<b>-3,658</b>	<b>-3,059</b>	<b>-4,676</b>	<b>-6,769</b>	<b>-8,050</b>	<b>-3,611</b>	<b>-3,581</b>
Issue of Shares	0	0	197	77	0	4	0	0
Inc/(Dec) in Debt	-247	-1,136	-4,558	-4,086	-5,004	11,982	-2,000	-2,000
Interest Paid	-3,345	-3,353	-3,511	-2,291	-2,843	-2,198	-2,326	-2,120
Dividend Paid	-552	-538	-555	-559	-534	-743	-855	-890
Others	0	0	0	0	153	-620	0	0
<b>CF from Fin. Activity</b>	<b>-4,144</b>	<b>-5,027</b>	<b>-8,427</b>	<b>-6,859</b>	<b>-8,228</b>	<b>8,424</b>	<b>-5,181</b>	<b>-5,009</b>
<b>Inc/Dec of Cash</b>	<b>1,235</b>	<b>-852</b>	<b>-498</b>	<b>1,150</b>	<b>-2,109</b>	<b>11,217</b>	<b>6,565</b>	<b>6,887</b>
Opening Balance	3,561	4,795	3,944	3,446	4,596	2,488	13,705	20,270
<b>Closing Balance</b>	<b>4,795</b>	<b>3,944</b>	<b>3,446</b>	<b>4,596</b>	<b>2,488</b>	<b>13,705</b>	<b>20,270</b>	<b>27,156</b>

## Corporate profile

### Company description

Jubilant Life Sciences (JLS), one of the three flagship companies of Jubilant Bhartia Group, is an integrated pharmaceuticals and life sciences company. It is engaged in the manufacturing of radiopharmaceuticals, allergy products, advanced intermediates, nutritional products and life science chemicals. The company also provides services in contract manufacturing and drug discovery solutions. JLS' operations are spread across the world, including India, the US, Canada, Europe and other countries.

### Exhibit 1: Sensex rebased



Source: MOFSL/Bloomberg

### Exhibit 2: Shareholding pattern (%)

	Mar-19	Dec-18	Mar-18
Promoter	50.7	50.7	50.7
DII	4.8	4.5	6.0
FII	26.8	27.1	25.2
Others	17.8	17.8	18.1

Note: FII Includes depository receipts Source: Capitaline

### Exhibit 3: Top holders

Holder Name	% Holding
East Bridge Capital Master Fund Limited	4.6
Motilal Oswal Mutual Funds	2.8
Government Pension Fund Global	2.6
Rakesh Radheshyam Jhunjhunwala	1.6
Morgan Stanley Asia (Singapore) Pte.	1.2

Source: Capitaline

### Exhibit 4: Top management

Name	Designation
Shyam S Bhartia	Chairman
Hari S Bhartia	Co-Chairman & Managing Director
Rajiv Shah	Company Secretary

Source: Capitaline

### Exhibit 5: Directors

Name	Name
Arjun Shanker Bhartia	Sudha Pillai*
Priyavrat Bhartia	Sushil Kumar Roongta*
Arun Seth*	Vivek Mehra*
Ashok Misra*	Anant Pande
S Sridhar*	Rajesh Srivastava

\*Independent

### Exhibit 6: Auditors

Name	Type
B S R & Co LLP	Statutory
Ernst & Young LLP	Internal
J K Kabra & Co	Cost Auditor
Sanjay Grover & Associates	Secretarial Audit

Source: Capitaline

### Exhibit 7: MOFSL forecast v/s consensus

EPS (INR)	MOFSL forecast	Consensus forecast	Variation (%)
FY20	66.1	70.0	-5.6
FY21	68.8	79.5	-13.5

Source: Bloomberg



Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

\*In case the recommendation given by the Research Analyst is inconsistent with the investment rating legend for a continuous period of 30 days, the Research Analyst shall within following 30 days take appropriate measures to make the recommendation consistent with the investment rating legend.

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