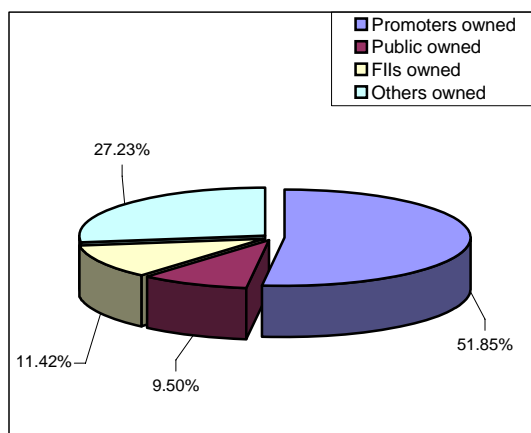


Stock statistics	19 December 2007
Market Cap (Rs Mn)	: 48,928.76
52-Week high/low (Rs)	: 378/195
Face value	: 1
BSE Code	: 530019
NSE Code	: JUBILANT
Industry	: Petrochemicals
Shares outstanding	: 14,39,08,106
Avg. daily vol. (30 days)	: 23.10

Jubilant Organosys Ltd. part of Bharatia Group is an integrated pharmaceuticals industry player with a wide range of products and services for global life science companies. The range of activities of the company include drug discovery and development services, custom research and manufacturing services, advance intermediates, fine chemicals, active pharmaceutical ingredients, dosage forms and regulatory affairs services. The business of the company is organized in three business segments viz: Pharmaceuticals & Life Science Chemicals, Industrial Products and Performance Polymers. Jubilant is based at Noida, Uttar Pradesh and it has its branches at West Bengal, Tamil Nadu, Karnataka, Gujarat, Andhra Pradesh and Maharashtra.

	Sep 2006	Dec 2006	Mar 2007	Jun 2007	Sep 2007
Sales	4,086.00	4,128.00	4,296.00	4,549.00	4,930.00
EBIT	657.00	836.00	775.00	813.00	938.00
EBITDA	917.00	995.00	971.00	1,859.00	1,391.00
PAT	542.00	603.00	696.00	1,384.00	1,117.00
EPS	3.79	4.21	4.85	9.64	7.78
Operating profit margin (%)	16.08	20.25	18.04	17.87	19.03
EBITDA margin (%)	22.44	24.10	22.60	40.87	28.22
Net profit margin (%)	13.26	14.61	16.20	30.42	22.66

Shareholding Pattern (as on 30 Sep'07)



The company has shown excellent financial performance for the Q2FY08. The net sales grew by 21% to Rs 4,930 million for the Q2FY08 versus the net sales of Rs 4,086 million for the Q2FY07. The operating profits and EBITDA grew up sharply and thereby strengthening the margins. The net profit rose to Rs 1,117 million versus the net profit of Rs 542 million posting the growth rate of 106%.

Key Statistics (as on 19 December 2007)

CMP	: 340
BV	: 84.74
PE	: 12.83
PB	: 4.01
Beta	: 0.63
Turnover (Rs Mn)	: 28.85
Net worth (Rs Mn)	: 9,575.80

Jubilant Biosys, a subsidiary of Jubilant Organosys has entered into collaboration with Forest Laboratories Holdings, a wholly owned subsidiary of Forest Laboratories to discover small molecule drug candidates for a novel metabolic disorders target. This collaboration would leverage the innovation capabilities of Jubilant Biosys in pharmaceuticals discovery and preclinical development. This strategy would demonstrate the Jubilant's strategy to be the India's largest innovation driven integrated pharmaceutical services provider supporting the global pharmaceutical industry. This collaboration would provide competitive advantage to Jubilant Organosys in the global as well as domestic market and would drive its future growth.

VALUATION

The company with the strong vertically integrated model is having presence across the pharma value chain. Its in-depth knowledge of R&D and manufacturing facility coupled with healthy relationship with global players has ensured it smooth passage on the high growth path.

The stock at a current market price of Rs 340 is trading 12.83 times to its earnings and 4 times to its book value. The stock is expected to provide huge upside potential in medium to long – term.

Therefore, we are putting 'BUY' recommendation on the stock with the price target of Rs 452 which is approximately 33% up from the current market price of Rs 340.

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