

**SPEECH BY THE CHAIRMAN & MANAGING DIRECTOR MR SHYAM S BHARTIA AT
JUBILANT'S 30TH AGM : 27TH SEPT. 2008**

Good morning ladies and gentlemen. I am pleased to be addressing you today –at the 30th Annual General Meeting of Jubilant Organosys Ltd.

We are very glad to be amongst you all. Jubilant has established a strong operating model in outsourcing, in the life sciences industry. It has been delivering consistent results –as can be seen from the strong improvement in the Company's performance. I trust the shareholder community shares our enthusiasm towards the business and I hope you will continue to lend us your support in our journey forward.

Our performance in fiscal year 2007-08 has been led by the Pharma and Life Sciences business. Our strategy of following the path of preferred partner in outsourcing has delivered rich dividends.

Jubilant –preferred partner in outsourcing

Jubilant is clearly driving a leadership position in the outsourcing space. Given the breadth of opportunity available in Custom Research and Manufacturing Services (CRAMS), Jubilant has benefited from its integrated and global operating approach. Companies in the life sciences sector are actively favouring business models that make use of outsourcing. And there has been a perceptible growth in the business being outsourced to countries such as India. The outsourcing business contributed 59% to our total turnover in FY2008 with an increase of 76% compared to last year.

Given the acquisition of Hollister-Stier and Draxis Health we have added capabilities in high growth and high entry barrier markets –namely sterile injectables and radiopharmaceuticals. Together with our drug discovery and development subsidiaries these businesses represent a strong growth platform. Given our focus on higher value added products and services within outsourcing, I am confident that Jubilant will continue delivering consistently good performance.

FY2008 financial performance

Consolidated Revenues in FY 2008 stood at Rs. 2,489 crore, reported a growth of 37.5% over the last year. FY2008 strengthened Jubilant's role as a significant player in the

CRAMS market. Revenues in CRAMS business grown by 85.5% and were at Rs. 1,307 crore as against Rs. 705 crore in FY2007. This was the result of expanded capacities, addition of new customers and the consolidation of Hollister-Stier's performance with the Company. Revenues from the Industrial and Performance Products segment were up 4.8% at 959 crore from Rs. 915 crore.

International Revenues grew 67.6% to Rs. 1,394 crore –where the growth from key target markets of America and EU stood at 140% and 17% respectively. At the operating EBIDTA level the results were 75.5% better at Rs. 477 crore as compared to Rs. 272 crore last year following increased share of the Pharma and Life Sciences Products and Services business and good results in the IPP segment. Profit After Tax on a consolidated basis was at Rs. 401 crore in FY08 compared to Rs. 228 crore in FY07 – thus increasing 75.7% The corresponding Diluted EPS numbers were at Rs. 22.42 in FY2008 and Rs. 13.02 for FY2007.

On a standalone format Jubilant's Revenues showed a growth of 22.8% from Rs. 1,610 crore to Rs. 1,977 crore given good results in PLSPS segment. Operating EBIDTA stood better at Rs. 447 crore, up 57.9% from FY2007. The Net Profit showed a growth of 69.5% and were at Rs. 392 crore from Rs. 232 crore last year. The Diluted EPS was at Rs. 21.96 in FY2008 and Rs. 13.22 in FY2007.

Q1 FY2009 performance

Consolidated Revenues in Q1 FY 2009 grew by 53% from 540 crore to Rs. 827 crore. The share of outsourcing related businesses –including CRAMS and DDDS stood at 60.5% as compared to 53.1% in Q1 FY2008. The pre-exceptional item Net Profit performance consequently was higher at Rs. 120.4 crore since Rs. 55 crore last year.

Jubilant completed the acquisition of Draxis Health Inc. based at Canada in May 2008. We have thus gained entry into the attractive radiopharmaceuticals market and strengthen our position in contract manufacturing of sterile injectables in North America. The Company is in the process of launching a series of exciting products in radiopharmaceuticals during the course of the year, starting with Sestamibi. Draxis benefits from long-term contract arrangements with leading pharma companies like Johnson and Johnson and GE Healthcare.

Dividend

I am pleased to note that the Board of Directors has recommended a dividend of 150% on fully paid up equity shares of Re. 1 each for the year ended March 31, 2008. This is in keeping with practice of sharing the benefits of the Company's progress amongst shareholders.

Outlook for FY 2009

Jubilant continues to see strong operating dynamics across its businesses driven by strengths that are inherent to the Company's operating model. Given expanded capacities, larger product profile and constantly expanding global market footprint the Company expects to post more than 50 % increase in revenues for FY2009.

The earnings performance is expected to be robust, which should deliver better margins and a noticeable growth in net earnings. The earnings outlook does not consider any potential effect of exceptional items that may arise in the future which will primarily relate to unrealised foreign exchange gains/losses on account of restatement of outstanding FCCBs and foreign currency loans.

Conclusion

We see outsourcing to the life sciences industry as a continuing high potential opportunity. Jubilant which is an established name in this business will continue benefiting from the growing demand for its products and services. I am confident that Jubilant will continue delivering strongly on the platform of a 'preferred partner in outsourcing.

On behalf of the members of the Board I would like to take this opportunity to express our gratitude to our customers, vendors, employees, bankers, lenders, investors for their continuing faith in us and in the future of the Company.

Thank You.