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News / Story reproduced with thanks:- **Hindu Business line**

Jubilant to expand contract research biz

Direct link to the News/Story:-

<http://www.thehindubusinessline.com/2010/05/12/stories/2010051251820200.htm>

Jubilant Organosys on Monday said it plans to expand its contract research and manufacturing services business by 20 per cent for which it is in talks with global players.

The company also declared its fourth quarter results and reported 10 times increase in its net profit to Rs 137 crore as on March 31, 2010 compared with Rs. 12 crore in the corresponding period last year. Revenues in Q4 FY 2010 increased by 17.7 per cent and were at Rs. 990 crore. During the quarter, the Pharma and Life Sciences Products & Services (PLSPS) segment showed a growth of 20.5 per cent to Rs 898 crore.

Custom Research and Manufacturing Services (CRAMS) contributed strongly to growth with sales of Rs 572 crore, up 16.8 per cent. This was mainly because of strong results in the active pharmaceutical ingredients (APIs) and contract manufacturing operations (CMO) businesses.

The Life Sciences Chemicals business grew by 33 per cent to Rs 172 crore. The company's current order book stands at \$1 billion and it expects to see a robust growth in the financial year.

Mr R. Sankaraiah, Executive Director (Finance), said, "These are all long-term orders. In addition, we have quarterly and half-yearly contracts. These orders are to be executed over five years."

Jubilant also plans to expand its operations in the Japanese market. The company is planning a capital expenditure of Rs 400 crore for FY-2011.

The company is setting up a new plant, which it expects to go on stream this year.

Jubilant is also expanding its niacinamide manufacturing capacity by setting up a 10,000-tonne plant at a special economic zone in Dahej, Gujarat. The plant will be backward integrated and is likely to become operational by end 2010.