



## News Release

### **Atul excels; maintains dividend at 30%**

- **Net sales at Rs 1159 cr, up 16%**
- **PBT (before exchange rate difference) up 218%**

**Mumbai, May 29, 2009:** Atul Ltd, a member of Lalbhai Group, announced its audited results for the year ended March 31, 2009. During the 12 months ended March 31, 2009, net sales grew by 16% to Rs 1159 crores (including exports of Rs 576 crores) as compared to the previous year. While domestic sales grew by 17%, export sales grew by 15%. The sales growth was accompanied by a growth in PBT from ordinary activities from Rs 38 crores to Rs 46 crores, an increase of 20% on the back of a robust performance by Crop Protection and Aromatics businesses.

The above performance is after considering a loss of Rs 44 crores (previous year, a gain of Rs 10 cr) on account of exchange rate difference arising mainly from a volatile USD/INR scenario; the operations thus actually delivered a much better performance (PBT of Rs 90 cr vs Rs 28 cr, up 218%). The adverse impact was due to the revalorization of foreign currency loans and the hedging of net receivables.

Mr. Sunil S Lalbhai, CMD, shared his analysis of performance and strategy. Excerpts are given below.

"The Economy during the year particularly the second half was generally reeling under the pressure of a demand slump stemming from the contagion of a global recession. However, the diversified nature of its user industries and the expansions in selected products helped the Company counter recession. The Company even while focusing on superior customer relationship, value and cost leadership laid a strong foundation for sustained performance and excellence through its efforts on values and ethics, social responsibilities and environmental protection.

Crop protection and Aromatics businesses performed exceedingly well. While the former recorded growth in sales and EBIDTA of 22% and 500% respectively thanks to its booming branded sales, the latter responded to the recession by growing its sales and EBIDTA by 38% and 285% respectively aided by superior product quality and customer

service. These businesses are expected to consolidate in the current year.

The continuing emphasis on strategy and understanding of customer needs in advance will further grow all the businesses in the current year. The projects already commissioned to manufacture an additional 8350 tpa of speciality chemicals will add to revenues and profits.

The emphasis of the management is on further articulating strategy for securing long-term growth for each business, significantly improving efficiencies for securing cost leadership and profitability, incorporating world-class systems and procedures for enhancing response and speed and formalizing values for building a lasting organization. The best therefore is yet to come”.