



## **PRESS RELEASE**

Atul Ltd., a member of Lalbhai Group, declared unaudited results for the quarter ended September 30, 2007.

During the quarter ended September 30, 2007 the net sales grew to Rs250 cr recording a growth of 8% over the corresponding quarter in the previous year; however, the profit from ordinary activities before tax at Rs17 cr recorded a growth of 89%. On a sequential basis, during the second quarter of the current year the profit at Rs17 cr showed a dramatic improvement as compared to the loss of Rs3 cr during the first quarter.

Commenting on the performance, Mr. Sunil S Lalbhai, Chairman said that the deterioration in performance during the first quarter of the current year was mainly due to the abrupt strengthening of Rupee. He also stated that while the Rupee continued to strengthen during the second quarter also, giving a serious blow to export realisation, the Company successfully faced the challenge with a slew of measures including ramping up sales volumes, increasing selling prices, achieving significant yield improvement, cost reduction and productivity gains and rationalising product-mix. The Company was hopeful of further growing its financial performance during the year.

While responding to a question on the outlook for future, Mr. Lalbhai stated that the Company had traditionally performed better in the second half and the current year is not likely to be an exception; in fact apart from the normal higher sales in the second half the Company also expected to commission several projects during the current fiscal and the next which would add significantly to the turnover and profits in future. He stated that these actions were consistent with the strategies crystallized for each of its businesses revolving respectively along their core strengths and existent opportunities.