

Atul Foundation touched the lives
of ~ 1,25,000 people in seven states of India.



reached 3,426 students through four schools



facilitated 32,488 people to access 20 types of
government schemes



initiated waste management project in
88 villages and seven colleges



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Annual General Meeting
2025

Atul Ltd
Atul 396 020, Gujarat
India

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Speech
of
(Sunil Siddharth Lalbhai)
Chairman and Managing Director

July 25, 2025
Deemed venue of the meeting:
Ahmedabad 380 014, Gujarat
India



Lalbhai Group

Fellow shareholders, ladies and gentlemen,

On behalf of the distinguished Independent Directors (IDs) and every member of team Atul, I welcome you to this 77th Annual General Meeting of our Company (ignoring the reverse merger with erstwhile Gujarat Aromatics in 1988) and thank you for your presence.

I hope you found the second integrated annual report well-conceived – the intent is to make it as comprehensive as possible. I appreciate your insightful questions received in advance, and I will endeavour to address them in the course of this speech and thereafter.

In 2024-25, consolidated revenue at ₹ 5,583 cr and PBT at ₹ 692 cr increased by 18% and 53% respectively and standalone revenue at ₹ 5,075 cr and PBT of ₹ 623 cr increased by 16% and 22% respectively. The increase in sales came primarily through growth in volume.

The Board has recommended a higher dividend of 250% against 200% in 2023-24 – the payout will be 16% against 15%. Our Company received ₹ 33 cr dividend mainly from its subsidiary, joint venture (JV) and associate entities. I trust the shareholders will unanimously approve this.

While revenue on consolidated and standalone basis was the highest in 2024-25, PBT, although higher, was not the highest (compared with the earlier best consolidated PBT of ₹ 882 cr and standalone PBT of ₹ 828 cr achieved without new investment of ₹ 2,000 cr in projects).

Two of the key financial performance indicators, namely, EBITDA and RoCE improved to 19% and 15% on consolidated basis. However, they were much lower than the previous best EBITDA of 28% achieved in 2020-21 and RoCE of 35% achieved in 2019-20 on consolidated basis.

This underscores the magnitude of the tasks ahead. Nonetheless, team Atul is fully committed to increase sales and improve every function, by increasing efficiency and productivity, pervading technology, conserving cash and working closely with the customers.

The two Retail businesses, with 400 team members in all, have reached sales of ~ ₹ 250 cr each and have potential to consistently and significantly grow. Some of the brands such as Zura, Sindica, Ultrafast and Polygrip have gained strong acceptance in the marketplace.

Atul Products, a 100% subsidiary, that made investment of ₹ 828 cr in 2023-24 improved its performance – its revenue increased from ₹ 65 cr to ₹ 353 cr and EBITDA increased from ₹ 11 cr to ₹ 97 cr. It generated PBT of ₹ 13 cr in the first quarter of this fiscal.

Atul Bioscience, a 100% subsidiary, increased revenue by 4%, from ₹ 132 cr to ₹ 137 cr and PBT by 32%, from ₹ 2.8 cr to ₹ 3.7 cr – both its sites received approval from USFDA. It generated PBT of ₹ 2.2 cr in the first quarter of this fiscal. These are still early days for this business.

DPD, a 98% subsidiary, based in the UK, increased its revenue by 4% from £ 4.7 m to £ 4.9 m; its PBT however decreased by 20% from £ 1.5 m to £ 1.2 m. It made an investment of £ 3.9 m in two phases, the second got completed in the last quarter. It will do better this fiscal.

Atul Rajasthan Date Palms, a 74-26 public private partnership project of the Government of Rajasthan and our Company, sold 6,000 plants in 2024-25 against 4,000 in 2023-24 though the capacity utilisation (CU) was very low. Team ARDP will better the CU and performance.

Rudolf Atul Chemicals, a 50-50 JV with Rudolf, Germany, achieved its highest revenue of ₹ 167 cr and PBT of ₹ 36 cr, an increase of 20% and 28% respectively. RACL is now ranked seven in textile chemicals in India – it is confident to further grow and move up in its rank.

Anaven, a 50-50 JV with Nouryon, the Netherlands, that operates a world-class plant to manufacture MCA*, while became EBITDA positive, the performance remained constrained because of lower sales despite available demand. Our Company is in discussion with Nouryon.

Amal, originally Piramal Rasayan, in which our Company holds 49.85%, increased its consolidated revenue by 57%, from ₹ 86 cr to ₹ 135 cr and PBT from ₹ 3 cr to ₹ 33 cr. It wiped out its entire accumulated loss and repaid all its borrowing. Its Board recommended 10% dividend.

Total revenue of the subsidiary, JV and associate entities, (excluding the subsidiary entities based outside of India) reached ₹ 880 cr in 2024-25, an increase of 78% over 2023-24. We expect sales and overall performance of these entities to move up steadily.

The net external debt of the subsidiary, JV and associate entities came down from ₹ 221 cr on March 31, 2024 to ₹ 190 cr on March 31, 2025 and to ₹ 187 cr on June 30, 2025. The debt-equity of such entities put together improved from 0.27 to 0.23 in the last 15 months.

Our Company continues to remain debt-free and has, on a consolidated basis, a net cash surplus of ₹ 1,008 cr as on June 30, 2025. Its financial position has further improved, making it even more robust and enabling us to take up both short and long-term projects.

So, while working to improve the existing operations, including processes, team Atul is adding and actively evaluating to introduce new products, formulations, product groups and businesses in our Company and its subsidiary, JV and associate entities.

Atul Foundation continued with its seven decades plus legacy of serving the society in the areas of national priority, particularly, education, empowerment, health and infrastructure. You will be able to access its annual report on its website at www.atulfoundation.org.

You may have seen the results of the first quarter ended June 30, 2025 – Consolidated revenue at ₹ 1,478 cr and PBT at ₹ 177 cr both went up by 12% compared with the same period in 2024-25 but they were marginally lower compared with the fourth quarter of 2024-25.

Standalone revenue at ₹ 1,305 cr was higher by 8%, but standalone PBT at ₹ 135 cr was lower by 9% compared with the same period in 2024-25. Standalone revenue was lower by 1%, but standalone PBT was lower by 18% compared with the fourth quarter of 2024-25.

Through the years, our Company has broadened its business base and will do so further in step with times. It will require a strong management that is largely internal. The focus is to develop team members from within and thereby have a strong leadership pipeline.

Mr Mukund Chitale, Ms Shubhalakshmi Panse and Mr Baldev Arora retired during 2024-25 as IDs after two five-year terms. I am grateful to them for their involvement, value addition and support. Ms Padmaja Chunduru joined as an ID. We plan to add up to two more IDs.

Mr Vivek Gadre joined as an Executive Director. I welcome both Ms Chunduru and Mr Gadre on the Board. Mr Bharathy Mohanan retired as an Executive Director earlier this fiscal – I wish to recognise his valuable contributions spanning over three plus decades.

Finally, I appreciate my team members for their perseverance and thank the customers for giving us an opportunity to serve. I am grateful to the IDs for their critical observations, constructive suggestions and continuous encouragement.

Last but not the least, I value your trust and support. I conclude by saying that team Atul continues to work with the spirit of day one, committed to building and growing further with purpose, guided by the enduring Values of our legendary Founder, Kasturbhai Lalbhai.

* Monochloroacetic acid