Atul Foundation touched the lives
of ~ 3,26,652 people in four states of India.

facilitated 45,360 government scheme applications
across 118 villages under the Adhikar project

screened and counselled 16,237 individuals
for anaemia under the Sampoorna project


collected 24,462 blood units through Valsad Raktdan Kendra,
supporting 16,006 patients

Atul

**ROOTED | RESPONSIBLE | RISING**

**Atul Ltd**
Atul 396 020, Gujarat
India
www.atul.co.in
www.facebook.com/AtulLimited
www.linkedin.com/company/atul-limited

Lalbhai Group

Atul

# Annual General Meeting 2026

**Speech**
**of**
(Sunil Siddharth Lalbhai)
**Chairman and Managing Director**

July 31, 2026
Deemed venue of the meeting:
Ahmedabad 380 014, Gujarat
India

(This speech may be read along with the slides presented at the AGM.)

Fellow shareholders, ladies and gentlemen,

On behalf of the distinguished Independent Directors and every member of team Atul, I warmly welcome you to the 78th annual general meeting of our Company (ignoring the reverse merger with erstwhile Gujarat Aromatics approved in 1988). On March 17, 2026, our Company entered 75th year of manufacturing.

At the outset, I wish to apologise for the errors in four numbers on page 10, paragraph 9 of the Letter to the shareholders. As soon as the errors came to light on July 17, team Atul immediately corrected the three numbers, removed one number and informed every shareholder and the relevant stock exchanges.

With this said, I hope you found the integrated report comprehensive. Team Atul has tried to further enhance it. As always, I appreciate your insightful questions and thank you for sharing them in advance. I will try to address them in course of this speech and thereafter.

Our Company achieved its hitherto highest consolidated revenue and consolidated PBT in 2025-26 – consolidated revenue at ₹ 6,274 cr was higher by 12% and consolidated PBT at ₹ 901 cr was higher by 30%. The increase in consolidated sales came 10% by volume and 2% by price.

While standalone PBT has increased over the last three years (from 2023-24 to 2025-26), standalone PBT of ₹ 760 cr achieved in 2025-26 continued to be lower than the highest standalone PBT of ₹ 828 cr achieved in 2020-21 (despite implementation of growth CAPEXes of ₹ 1,300 cr between 2021-22 and 2024-25).

The Board has recommended a further increase in dividend - from 250% to 300% or ₹ 88 cr - for consideration of the shareholders. The payout on the basis of standalone performance will be 15%. I trust we all, as shareholders, will unanimously approve the resolution pertaining to dividend.

Furthermore, consolidated and standalone EBITDA of 20% and 18% respectively achieved in 2025-26 – although have improved over the last three years (from 2023-24 to 2025-26) – continued to be lower than consolidated and standalone EBITDA of 27% achieved in 2020-21.

Similarly, consolidated and standalone RoCE of 17% and 15% respectively achieved in 2025-26 – although have improved over the last three years (from 2023-24 to 2025-26) – continued to be lower than consolidated and standalone RoCE of 36% and 34% respectively (because of so far partially utilised CAPEXes).

So, there is work to do to improve the financial outcomes, namely, sales, EBITDA %, PBT and RoCE %, and team Atul is committed to the tasks on hand related to i) expanding reach in marketplace (to improve sales) and ii) increasing efficiencies and productivity (to improve EBITDA % and PBT) and with all this increase RoCE %.

In this endeavour, all the businesses of our Company are expected to contribute further. At this time, team Atul is implementing consolidated growth CAPEXes of ₹ 250 cr. Its two retail businesses, namely Crop Protection and Polymers, are adding new products and are expected to grow well in the years ahead.

Meanwhile, Atul Bioscience, 100% subsidiary, increased sales and PBT (although the rise is still not adequate). Atul Products, 100% subsidiary, also increased sales and generated PBT in its second full year of operations. DPD, a 98% subsidiary based in UK, too increased sales and PBT.

Rudolf Atul Chemicals, a 50-50 JV, had lower sales and PBT (after six and three years respectively) – the JV is expected to do better in sales and PBT in 2026-27 and maintain its trend of improvement. Atul Rajasthan Date Palms, a 74-26 JV, increased sales and PBT – its sales and PBT are negligible, but only for now.

Anaven, a 50-50 JV, remained EBITDA positive for the second fiscal, but because of very low sales of MCA, the main product, good demand, incurred a loss. Our Company is in discussion with its JV partner on the way forward and hopes to conclude the discussion as soon as possible.

Valsad Institute of Medical Sciences (VIMS), which operates a state-of-the-art hospital, completed its first full year of operations. It incurred a loss because of low occupancy. It will take time for VIMS to deliver PBT. VIMS is serving patients from Valsad and its surrounding 85 villages and towns.

Discussions – which began in 2024-25 – resulted in a 50-50 JV between Buckman Laboratories and our Company in 2025-26. Atul Buckman Specialities was formed on February 6, 2026 and has commenced sales of water treatment chemicals in a small way – the business is expected to grow steadily.

Amal, a company held 49.86% by our Company, along with its subsidiary, achieved higher consolidated sales, but lower consolidated PBT. The combined sales – not as per Ind AS – of all the subsidiary, JV and associate entities of our Company increased to ~ ₹ 1,200 cr, 31% higher compared to 2024-25.

Our Company continued to remain debt-free at consolidated and standalone level – its net cash surplus at consolidated level increased from ₹ 691 cr to ₹ 1,578 cr as on March 31, 2026. This will help take up larger projects while remaining financially resilient in an uncertain world.

There are four focus areas for team Atul. One: Improve Operations of every function, that is, enhance process efficiency and people productivity, two: Upgrade Systems, that is, enhance accuracy and speed, three: Seek Growth, that is, enhance identification, articulation and execution of opportunities.

And lastly, four (without which the first three are not possible): Develop People, that is, further improve identification of training needs and implementation (mainly via projects and role rotations), performance management (to make it more result oriented and objective) and recruitment (in terms of timeline and quality).

Atul Foundation continued to work in its small way in the areas of national priorities, namely, education, empowerment, health, infrastructure, conservation and relief. There are 690 people, including on contract, who work in the Foundation and institutions under its umbrella. The Foundation worked in four states of India.

You may have seen the results for the first quarter of 2026-27 announced on July 24, 2026. Our Company achieved its so far highest sales and PBT on consolidated and standalone basis. EBITDA of 23% and 20% still continue to be lower than 27% achieved in 2020-21. So, I can say that the best is yet to come.

I wish to take this opportunity to appreciate the contribution of every member of team Atul working in our Company or its subsidiary, JV and associate entities. In VUCA* times, it is collective efforts, including dissents, which evolve good decisions and worthwhile outcomes.

I am grateful to the Independent Directors for their critical analysis and significant value addition – team Atul in general and my colleagues and I on the Board in particular are enriched by their depth and breadth in thinking, their critical yet constructive inputs and their encouragement and support.

Shri Shantanu Khosla, whose profile is already with you, joined the Board in 2025-26. On behalf of the shareholders, I welcome him. The Board may induct up to two more Independent Directors and up to two Whole-time Directors to maintain continuity with inevitable changes.

I value your consistent trust and support. Team Atul, of which I feel proud to be a part, is not only nurturing the enduring legacy of Shri Kasturbhai Lalbhai, but also building further on it. Dreams must outweigh memories - so even as our Company will enter its 80th year of incorporation on September 5, our spirit is still of day one.

* Volatility, Uncertainty, Complexity, Ambiguity