



RALLIS INDIA LIMITED

Press Release

Rallis registers 52% increase in Q3 PBT

Mumbai, January 15th, 2009 Rallis India, a TATA Enterprise, Rallis has posted impressive results for the third quarter.

The Board has also appointed Mr V Shankar, the current Executive Director and CEO, as the Managing director with effect from 15th January 2009.

Q3 Performance:

The Company has recorded PBT before exceptional items of *Rs 26 Crores* during the third quarter registering a growth of 52% from last year's figure of Rs 17 Crores during the same period. Net Sales grew by 15% to Rs 208 Crores (Rs 180 Crores in the Previous Year).

During the third quarter, Rallis has improved its profitability achieving EBITDA of 14% as compared to 11% during the same period in the previous year. The improvement in EBITDA margin has been achieved thro' better portfolio mix and improved operations in the international market. The company has also achieved significant improvements in operatinf efficiencies leading to a better cost position. The weakening Rupee also contributed to the improvement in international revenues.

Net profit for the third quarter has grown by 11% over last year in the similar period to Rs 16 Crores.

April - December Results:

Rallis posted a profit before tax (before exceptional items) of **Rs 105 Crores** for the first nine months of the financial year 2008-09. Crossing Rs 100 Crore profit mark is a momentous achievement for Rallis, as it had in the past declared a loss of more than 100 Crores in the year 2002-03. The Company has recorded a growth of 81% over the last years PBT from operations of Rs 58 Crores during the similar period.

Net Sales during the first nine months grew by 23% to Rs 659 Crores.

The Company has significantly enhanced its profitability with EBITDA margin of 17% during the first nine months of the current year, an improvement of 4 % points over the previous year in the similar period (Last Year's EBITDA 13% during April - December).



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Commenting on the Company's performance, **Mr V Shankar, Managing Director, Rallis India** said, ***"I am delighted that Rallis has crossed Rs 100 Crore mark in the profit from operations for the first time ever on its journey of 'Profitable Growth' and I am sure that with the inherent strength of every Ralliite we shall continue to deliver sustained performance."***

Commenting further on the Q3 performance **Mr V Shankar** added, ***"We have achieved significant increase in our international business through our APOLLO programme, and also gained considerably in profits and cash position by effective management of working capital. New products in the Domestic market like APPLAUD and TAKUMI have continued to receive excellent response from the farmers. We are continuing with our progress on the Rallis Poised growth agenda"***

Rallis is known for its manufacturing capabilities in agrochemicals and related chemistries with ability to develop new processes and formulations supported by the capability to register new products. It has contract manufacturing alliances with several multinational agrochemical companies. The Company is focusing on strengthening its international presence and establishing new capacities for contract manufacturing. Recently Rallis has inaugurated its high-end application polymer plant for Poly Ether Ketone Ketone (PEKK) in Ankleshwar, Gujarat. Rallis is the sole manufacturer of PEKK across the world. The company has a long standing strategic relationship with this customer and has an exclusive contract for the supply of PEKK. PEKK is used in composites which find applications in aircrafts, due to their light weight.

Rallis is one of India's leading agrochemicals companies, with a century old tradition of servicing rural markets and a comprehensive portfolio of pesticides for Indian farmers. The Company is known for its deep understanding of Indian agriculture, sustained relationships with farmers, quality agrochemicals, branding and marketing expertise and its strong product portfolio. During the financial year 2007-08, the Company posted Profit after Tax of Rs. 125.19 Crores and Revenues of Rs. 760.74 Crores.

