

PRESS RELEASE

Dhunseri Petrochem & Tea Ltd. (DPTL) posted the following results for the year ended 31st March, 2011.

Net Sales, EBITDA & PBT for the year ended 31st March, 2011 are Rs. 155,659.41 Lacs, Rs. 25,114.78 Lacs and Rs. 19,411.63 Lacs respectively. The Net Sales, EBITDA & PBT for the year ended 31st March, 2010 were Rs. 114,010.42 Lacs, Rs. 16,928.25 Lacs and Rs. 11,810.66 Lacs respectively. EPS for the year works out to Rs. 36.35 after providing for deferred tax of Rs. 28.84 Crs.

Further for the year ended 31st March, 2011:

- i. profit on sale of investment is Rs. 1930 lakhs as compared to Rs. 168 lakhs in the previous year.
- ii. fixed assets, spares & raw materials amounting to Rs. 6463 lakhs have been lost due to fire at the raw material stores at the Haldia plant. A corresponding amount has been shown as income in respect of the insurance claim lodged with the Insurance Company.

The Board of Directors have recommended dividend @ Rs. 4.50/- per Equity Share of Rs. 10/- each for the year ended 31st March, 2011, as against the dividend @ Rs. 4/- per Equity Share of Rs. 10/- each for the year ended 31st March, 2010.

In respect of the Petrochem Division

The PET plant at Haldia is operating at 100% capacity utilization. The production of PET resin increased from 168179 MT in 2009-10 to 200981 MT in 2010-11. The production could have been higher if the plant was not shut down due to fire at its Raw Material Store. The sales quantity of PET resin increased from 172022 MT in 2009-10 to 200681 MT in the year 2010-11.

In respect of the Tea Division:

The crop in Assam was affected due to increased incessant rain and increased pest activity. The production of tea decreased from 104.77 lac kgs to 103.03 lac kgs. However, the sale price increased by Rs.11.17 per kg as compared to previous year. Revenue increased by 5.97% i.e from Rs. 129.75 crores in 2009-10 to Rs.137.50 crores in 2010-11 in spite of decrease in volume by 2.86%.

PROSPECTS

PETROCHEM DIVISION

Existing Operations:

We expect to operate at full capacity utilisation for the year 2011-12. Coal based HTM heater together with the commissioning of the Captive power plant has resulted in savings in power and fuel cost which is expected to continue in the coming years.

New Project at Haldia:

In respect of the expansion of the PET plant capacity in Haldia to 4,10,000 TPA from 2,00,000 TPA, the civil construction at site has been started in November'2010. The plant will be on stream by April'2012.

Project at Egypt:

The 25th January Revolution of 2011 in Egypt, delayed the signing of the Loan Agreements, resulting in delay in the project start up. The IFC Loan agreement has now been signed. Once the agreements are signed with the Egyptian lenders, the construction will begin at the project site and the same is expected to be completed by June'2013.

Development of Barrier Resins:

The Company has entered into an Exclusive Technology License Agreement with M&G Finanziaria S.R.L., Italy (M&G), one of the global leaders in PET Bottle resin production, to produce and market barrier resins in India & Bangladesh using M&G's state of the art BicoPET technology. The necessary modification in the plant is under implementation and the same is expected to be ready by 1st quarter of 2012-13.

TEA DIVISION

In the current financial year the Company has purchased four tea factories, with a total existing capacity of 42 Lac kgs p.a. Further the Company would be expanding the aforesaid factory capacities to 60 Lac kgs p.a.

The Company has acquired 100% shares of Dowamara Tea Company Private Limited(DTCPL) in May'2011. DTCPL owns a Tea manufacturing factory having capacity of 8 lac kgs p.a. The capacity is planned to be expanded to 15 lac kgs p.a.

Further a new factory at Hatijan Tea Estate is being constructed having an annual capacity of 15 lakh kgs and is expected to be operational in August'2011.

The Company's current tea production is 103 lakh kgs & the Company aims to double the production of tea in the next three years by way of acquisition in the country as well as overseas.

IT-SEZ DIVISION

The construction work of 'Dhunseri IT Park' at Bantala is progressing satisfactorily. The first phase having a built up area of 370,000 sq. ft., will be delayed by few months, as compared to our earlier target of January'2012, due to unavoidable circumstances.

Barring unforeseen circumstances the Company's performance for the coming year is expected to be satisfactory.

For Dhunseri Petrochem & Tea Ltd.

Sd/-

C.K.Dhanuka

Executive Chairman

May 24, 2011