



Dhunseri Petrochem & Tea Limited

Q3 FY12 Results

About Dhunseri Petrochem & Tea Ltd

Rs.1500 cr Kolkata-based organization with interests in PET resin and Tea

The company is expanding its PET footprint through:

- Commissioning a second unit in Haldia (210,000 TPA)
- Commissioning a greenfield 420,000 TPA plant in Egypt
- This will graduate the company into top 10 global PET manufacturers
- Company is also engaged in unlocking its Real Estate value by developing Infrastructure for IT companies on its 750000 sq ft. land - 1st phase of 375000 sq ft. is expected to complete by Sep 2012 & 2nd phase of 375000 sq ft. by 2013 last quarter
- Post-expansion (2013) topline projected at Rs. 5000 cr (Rs 1652 cr in 2010-11)

Financial Result

Particulars (Rs crs)	Q3 FY12	Q3 FY11	Q2 FY12
Income from Operations	526	380	451
Other Operating Income	19	22	14
Total Income from Operations	545	402	465
Expenditure			
(Increase)/Decrease in stock in trade & WIP	22	-32	-30
Raw material expense	403	295	356
Employee cost	13	11	14
Power & fuel cost	18	15	22
Other Expenditure	41	34	48
Total Expenditure	497	323	410
EBITDA	48	79	55
EBITDA Margin (%)	9%	20%	12%
Depreciation	9	8	8
EBIT	39	71	47
Interest	11	8	10
PBT	28	63	37
Tax	4	38	3
Foreign Exchange (Gain)/Loss on exceptional items	4	-	43
Reported Net Profit	20	25	-9

Financial Analysis

- Sales Volume in Q3 FY12 increased by 17% compared to Q2 FY12 & 14% compared to Q3 FY11 due to higher demand
- Production capacity was utilized at 108%
- EBITDA/kg in Q3 FY12 declined from Rs 12.7 to Rs 7.4 compared to Q3 FY11 due to increase in Raw material prices and other operational expenses
- Realization/tonne of PET increased by 25% in Q3 FY12 compared to Q3 FY11 due to increase in PET prices
- Delta per tonne for PET decreased by 3% in Q3 FY12 due to increase in PTA & MEG prices
- EBITDA for Tea in Q3 FY12 decreased by 59% compared to Q3 FY11 due to lower factory realizations
- Reported PAT of Rs 20 crs

Operational Highlights

PET - Division	Q3 FY12	Q3 FY11	Q2 FY12	y-o-y %	q-o-q %
PET Sales Volume (MT)	55,708	48,832	47,469	14%	17%
Sales – PET (Rs crs)	479	335	400	43%	20%
EBIDTA – PET (Rs crs)	41	62	40	-34%	3%
EBIDTA/Kg – PET (Rs)	7.4	12.7	8.4	-43%	-12%
PET Delta (Rs per MT)	15,711	16,149	15,842	-3%	-1%
Export – PET	41%	33%	26%	24%	58%
Realization/Tonne – PET (Rs)	86,062	68,634	84,308	25%	2%
RM/Sales – PET (%)	85%	86%	84%	-1%	1%
TEA – Division	Q3 FY12	Q3 FY11	Q2 FY12	y-o-y %	q-o-q %
TEA Sales Volume (MT)	4,604	3,343	4,298	38%	7%
Sales – TEA (Rs crs)	47	45	50	4%	-6%
EBIDTA – TEA (Rs crs)	7	17	15	-59%	-53%
Realization/Tonne – TEA (Rs)	102,512	1,33,801	1,17,029	-23%	-12%

Forex - Hedging Policy

- Pursuant to the Companies (Accounting Standards) Amendment Rules, 2011 vide GSR 914(E) dated 29th December, 2011, in respect of accounting periods commencing from 1st April, 2011 the Company has exercised the option of adjusting the cost of depreciable assets with the exchange differences arising out of restatement of long term foreign currency loans obtained for acquisition of such assets.
- These were hitherto recognized as income or expenses in the period in which they arose. As a result, such exchange differences so far as they relate to the acquisition of depreciable capital assets have been adjusted with the cost of such assets, to be depreciated over the balance useful life of the respective capital assets.
- Consequent upon this change fixed assets and capital work in progress is higher by Rs 3951.61 lacs (net off depreciation amounting to Rs 69.63 lacs) and charge to the profit & loss account is lower to that extent for the quarter and nine months ended 31st December, 2011.

Expansion Progress

Haldia expansion (200,000 MT to 410,000 MT)

- SSP buliding superstruture 100% complete.
- Major Equipments of main plant at site and erection for these completed.
- Piping work in progress.
- Mechanical Completion expected by 30-Apr-2012.
- Cost incurred till 31-12-2011 is Rs 246 cr

Egypt project (420,000 MT)

- Overall project progress 30% as on 15-Jan-2012
- Order placed for all major equipments.
- Civil work going on in full swing.
- Cost incurred till 31-12-2011 is USD 33 million.

A Recap of things to come

- Setting up another unit of 210,000 TPA in Haldia, West Bengal.
- Setting up a green field 420,000 TPA plant in Egypt
- This will put the Group among top 10 producers of PET in the world

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Seagull Value Consultants LLP

About Seagull Value Consultants LLP

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Thank you