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Dhunseri Petrochem & Tea Limited

Q4 FY12
&
Audited annual FY12 results

About Dhunseri Petrochem & Tea Ltd

Rs.2000 cr Kolkata-based organization with interests in PET resin and Tea

- The current PET manufacturing capacity is 200,000 TPA with market share more than of 35%

- Capitalizing on new technology for specialty grade barrier Resin from M&G. Expected to boost the bottom line from 2013 onwards

Expansion of PET business by 4x:

- Mechanical completion of the second unit at Haldia is expected to be achieved around middle of May'2012. Start up of trial run is expected around middle of June'2012

- By 2013, company to commission its 420,000 TPA capacity in Egypt

- This will graduate the company into top 10 global PET manufacturers

- Post-expansion, (2013) topline projected at Rs. 3000 cr (Rs 2000 cr in 2011-12)

- **Tea Division –** Currently producing 14 million kg & is expected to reach 20 million kg in the next 2 to 3 years if negotiations to acquire tea gardens abroad fructifies. Board have decided to sell one of the Tea estates at a consideration of Rs 28.29 cr

- 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

Q4 FY12 Financial Result

Particulars (Rs cr)	Q4 FY12	Q4 FY11	y-o-y%	Q3 FY12	q-o-q%
Income from Operations	489	471	4%	526	-7%
Other Operating Income	7	73	-90%	11	-35%
Total Income from Operations	**497**	**544**	**-9%**	**538**	**-8%**
Expenditure					
(Increase)/Decrease in stock in trade & WIP	3	43	-92%	22	-84%
Raw material expense	395	325	22%	403	-2%
Employee cost	15	12	18%	13	16%
Other Expenditure	46	112	-59%	52	-11%
Total Expenditure	**459**	**491**	**-7%**	**489**	**-6%**
EBITDA	**38**	**53**	**-29%**	**49**	**-23%**
EBITDA Margin (%)	***8%***	***11%***	***-32%***	***9%***	***-17%***
Depreciation	8	8	-3%	9	-12%
EBIT	**30**	**45**	**-34%**	**40**	**-26%**
Interest	13	7	74%	11	12%
PBT	**17**	**38**	**-55%**	**28**	**-41%**
Tax	1	13	-96%	4	-86%
PAT before Forex	**16**	**25**	**-35%**	**25**	**-34%**
Forex Gain/(Loss) on exceptional items	-	-	0%	-4	-100%
Reported Net Profit	**16**	**25**	**-35%**	**20**	**-20%**

Q4 FY12 Financial Highlights

- The total income has increased by 4% from Rs 471 cr in Q4 FY11 to Rs 489 cr in Q4 FY12 and decreased 7% compared to Rs 526 cr in Q3 FY12
- The production for PET business increased from 46,708 MT in Q4 FY11 to 53,131 MT in Q4 FY12 with 106% production capacity utilization
- PET realization has increased by 5% in Q4 FY12 compared to Q4 FY11 and increased by 4% compared to Q3 FY12
- PET delta increased by 13% in Q4 FY12 compared to Q3 FY12 , EBITDA/kg is Rs 10/- a 30% increase compared to Q3 FY12
- The cost of raw materials as % of sales has increased from 78% in 2010-11 to 84% in 2011-12
- EBIDTA margins decreased from 11% in Q4 FY11 to 8% in Q4 FY12 due to increase in raw material cost and power and fuel cost. Margins remained flat at 9% compared to Q3 FY12
- The volume of tea has increased by 25% from 1944 MT in Q4 FY11 to 2432 MT in Q4 FY12
- Net Profit decreased from Rs 25 cr in Q4 FY11 to Rs 16 cr in Q4 FY12

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Q4 FY12 Operational Highlights

PET - Division	Q4 FY12	Q4 FY11	y-o-y %	Q3 FY12	q-o-q %
PET Sales Volume (MT)	51,808	52,348	-1%	55,708	-7%
Sales – PET (Rs cr)	463	447	4%	479	-3%
EBIDTA – PET (Rs cr)	50	62	-19%	41	21%
EBIDTA/Kg – PET (Rs)	10	12	-18%	7	30%
PET Delta (Rs per MT)	17,807	18,391	-3%	15,711	13%
Export – PET	23%	33%	-31%	41%	-45%
Realization/Tonne – PET (Rs)	89,410	85,415	5%	86,062	4%
RM/Sales – PET (%)	82%	79%	4%	85%	-3%
TEA – Division	**Q4 FY12**	**Q4 FY11**	**y-o-y %**	**Q3 FY12**	**q-o-q %**
TEA Sales Volume (MT)	2432	1944	25%	4604	-47%
Sales – TEA (Rs cr)	26	24	8%	47	-45%
EBIDTA – TEA (Rs cr)	(13)	(8)	60%	7	-286%
Realization/Tonne – TEA (Rs)	106,260	122,894	-14%	102,512	4%

FY12 Operational Highlights

PET - Division	2011-12	2010-11	y-o-y%
PET Sales Volume (MT)	206,857	200,680	3%
Sales – PET (Rs cr)	1,786	1,419	26%
EBIDTA – PET (Rs cr)	114	216	-47%
EBIDTA/Tonne – PET (Rs)	5,509	10,751	-49%
PET Delta (Rs per MT)	16,272	16,774	-3%
Export – PET	32%	36%	-13%
Realization/Tonne – PET (Rs)	86,321	70,714	22%
RM/Sales – PET (%)	84%	78%	7%
Foreign Exchange Gain/(Loss)	(32)	6	-604%
TEA – Division	**2011-12**	**2010-11**	**y-o-y%**
TEA Sales Volume (MT)	13,866	10,256	35%
Sales – TEA (Rs cr)	157	137	15%
EBIDTA – TEA (Rs cr)	19	34	-44%
Realization/Tonne – TEA (Rs)	113,378	134,068	-15%

FY12 Financial Result

Particulars (Rs cr)	2011-12	2010-11	y-o-y %
Income from Operations	1,943	1,557	24%
Other Operating Income	37	37	-
Total Income from Operations	**1,980**	**1,594**	**24%**
Expenditure			
(Increase)/Decrease in stock in trade & WIP	-23	-10	130%
Raw material expense	1,560	1,147	36%
Employee cost	54	48	12.5%
Power & fuel cost	63	53	19%
Other Expenditure	193	105	84%
Total Expenditure	**1,847**	**1,343**	**38%**
EBITDA	**133**	**251**	**-47%**
EBITDA Margin (%)	***5%***	***15%***	
Depreciation	33	31	6%
EBIT	**100**	**220**	**54%**
Interest	41	26	58%
PBT	**59**	**194**	**-69%**
Tax	10	67	-85%
Reported Net Profit	**49**	**127**	**-61%**

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FY12 Balance sheet

Particulars (Rs cr)	2011-12	2010-11
Shareholders' Funds		
Share capital	35	35
Reserves and surplus	712	680
Non-Current Liabilities		
Long Term Borrowings	353	120
Deferred tax liabilities (Net)	72	67
Total Current Liabilities	**929**	**690**
Total	**2,101**	**1,592**
ASSETS		
Non-Current Assets		
Net Fixed assets	925	621
Non-current investments	**164**	**141**
Long term loans and advances	50	44
Other non-current assets	2	2
Current Assets		
Current investments	59	-
Inventories	227	182
Trade receivables	252	172
Cash and Bank balances	276	260
Short-term loans and advances	103	58
Other current assets	44	112
Total	**2,101**	**1,592**

Expansion Progress

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

- SSP building superstructure 100% complete
- HTM Coal Heater and Furnace oil heater plants erection is 100% complete
- Equipment erection is 100% complete and piping work is in progress
- Mechanical Completion expected by 15-May-2012
- Cost incurred till 31-03-2012 is Rs 340 cr

Egypt project (420,000 MT)

- Mechanical Completion of both lines is scheduled for end December 2012
- Order placed for all major equipments
- Civil work going on in full swing
- Cost incurred till 31-03-2012 is Rs 285 cr

Outlook: FY13E

- In the year 2012-13 we are expecting significant improvement in our top line and bottom line on account of new PET capacity addition in Haldia. Expected date of mechanical completion for which is 15-May-2012.
- By 2013, company to commission its 420,000 TPA capacity in Egypt
- Post-expansion, (2013) topline projected at Rs. 3000 cr (Rs 2000 cr in 2011-12)
- The coming year should also be better for tea business as we will have additional realisation from bought leaf factories and improved production

Reach us at

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Seagull Value Consultants LLP

About Seagull Value Consultants LLP

Seagull Value Consultants LLP is India's niche Investor Relations company. Seagull has been christened to offer focused IR solutions to corporate India and attempts to bridge the understanding gap and the perception gap between themselves and the capital markets.

At Seagull, we partner with small-cap to large-cap companies to improve their investor relationship and create shareholder value in the capital markets.

Simply put, we at Seagull, create value.

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Thank you