

PRESS RELEASE**DHUNSERI INKS LICENSE AGREEMENT WITH M&G**

Dhunseri, who are one of the largest manufacturers of bottle resin in India has signed an exclusive 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 using M&G's state of the art BicoPET technology. The technology will provide oxygen and carbon dioxide protection to various food and beverages by incorporating a modified Nylon into the compartments of the PET pellets. Three different grades of resin will be produced to be used in applications such as beer, carbonated soft drinks (300 ml bottle), 100pct pure juices, milky drinks, sauces, honeys, jams, jellies, pickles, chutneys, vinegar, squashes, sharbats, enzyme and vitamin based pharmaceutical products to be packed in PET. Carbon dioxide barrier goes up to 6 months and the oxygen barrier can be extended by up to 2 years depending on the application requirement. The BicoPET technology is guarded by several patents in India and worldwide. Dhunseri will make substantial capital investments to manufacture the same at its existing facility.

Currently, Dhunseri produces 200000 tons of bottle resin at its plant in Haldia and the construction for the second line of nameplate capacity of 210000 tons was started on November 19 and should be onstream by March/April 2012. The construction of the 420000 tons facility in Egypt will begin end of this month and the plant will be commissioned by October 2012. The senior officials from the company, headed by the Vice Chairman, Mr. Mrigank Dhanuka, were all in Italy last week meeting with M&G officials for the kick off meeting for the proposed technology transfer. Dhunseri will be the first company in Asia to commercialise this technology for barrier resin, which is currently being used by renowned brand owners and converters in the developed countries. This agreement will give opportunity to M&G to spread the market for Poliprotect through Dhunseri network in India and Asia. The products will be sold as ASPET POLIPROTECT APB, JB and PB. By early April 2011, all these three grades will be available for commercial trials.

M&G is a pioneer and 2nd largest producer in PET market with a production capacity of approx 2 million tons p.a. and a turnover of approx USD 3 billion in 2009. M&G is having plants in USA, Mexico, Brazil & Italy.

For Dhunseri Petrochem & Tea Limited



C K Dhanuka
Executive Chairman

January 24, 2011