

3 March 2016

To,
The Bombay Stock Exchange Limited
(Scrip Code: 523736)
Floor 25, P.J. Towers,
Dalal Street,
Mumbai - 400001

To,
The National Stock Exchange of India Limited
(Symbol: DPL)
Exchange Plaza
Plot No: C/1, G Block
Bandra – Kurla Complex, Bandra (E)
Mumbai – 400 051

Dear Sirs,

**Re: Joint Venture between Dhunseri Petrochem Limited (“DPL”) and
Indorama Ventures Public Company Limited (“Indorama”)**

With reference to our letters dated 29th February, 2016, on outcome of Board Meeting we would like to reiterate that there are two separate unlisted entities in India in which the joint ventures are proposed, viz (i) Micro Polypet Private Limited (“MPPL”) and (ii) Dhunseri Petglobal Limited (“DPGL”) as follows:-

i) MPPL:-

- a) DPL entered into an agreement on the said date, viz 29th February, 2016 with Indorama and Indorama's wholly owned subsidiary, Indorama Ventures Global Services Limited (“IVGS”) to acquire a 50% equity stake in MPPL from IVGS, which presently owns all (100%) of the securities issued by MPPL.
- b) MPPL is an existing manufacturer of polyethylene terephthalate (“PET Resin”) having its plant in Panipat District in the State of Haryana with a capacity of 2,16,000 tonnes. The Plant commenced operation from 29th March, 2014. The total sales (net of excise) of MPPL in the financial years 2013-14 and 2014-15 was Rs.0.23 crores and Rs. 155.93 crores respectively.
- c) This Agreement is subject to approval of Competition Commission of India and other related necessary approvals.
- d) The total consideration in cash for acquiring the 50% stake in MPPL by way of purchase of 50,00,000 equity shares and 9,00,000 CCDs of MPPL would be Rs 110.61 crores (Rupees One Hundred Ten crores and Sixty One lakhs) subject to adjustments.

ii) DPGL:-

- a) DPL also entered into an agreement on the said date, viz 29th February, 2016 with the said Indorama and IVGS to give a 50% equity stake in DPGL to IVGS upon the Pet Resin manufacturing business of DPL in India being transferred to DPGL under the proposed Scheme of Arrangement between DPL and DPGL and their respective shareholders.



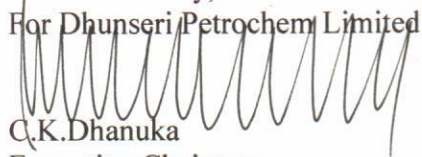
- b) DPGL is a new company and presently a subsidiary of DPL. It does not have any Pet Resin manufacturing business at present but would acquire the PET Resin manufacturing business of DPL under the said Scheme. The PET Resin manufacturing plant of DPL which would accordingly be transferred to DPGL is situated at Haldia in the State of West Bengal and has a capacity of 4,80,000 metric tonnes. The net turnover of the PET resin business of DPL in the financial year 2014-15 was Rs. 2,717.88 crs, which is 99.11% of the total income of DPL from PET resin and treasury operations.
- c) For acquiring the 50% stake in the said PET Resin manufacturing business in DPGL as aforesaid, IVL would subscribe to new equity shares constituting 50% of the enhanced equity share capital of DPGL for a total consideration of Rs.418.76 crores (Rupees Four hundred Eighteen crores and Seventy Six lakhs).
- d) DPGL would accordingly issue new 2,00,00,000 (Two crores) Equity Shares of Rs. 10 (Rupees Ten) each at a premium of Rs. 199.38 (Rupees One hundred Ninety Nine and Thirty Eight Paise) per share to IVGS aggregating, subject to Competition Commission of India (CCI) and other related necessary approvals.

We reiterate that there will be no change in the shareholding of DPL. DPL will continue to be listed. None of the aforesaid arrangements impact management or control of DPL itself. Listing is also not being sought in the proposed joint venture companies, viz DPGL and MPPL.

Thanking you,

Yours faithfully,

For Dhunseri Petrochem Limited



C.K.Dhanuka
Executive Chairman