

TCG to Buy 70% Stake in Mitsubishi Indian Arm

Funds will be infused into sick MCPI to write off its accumulated losses before the deal

Our Bureau

Kolkata: The Chatterjee Group (TCG) will acquire a 'substantial majority' in MCC PTA India Corp (MCPI), a subsidiary of Mitsubishi Chemical Corporation.

TCG hopes to complete the acquisition by November and revive the ailing purified terephthalic acid (PTA) manufacturer through technical collaboration and restructuring.

The deal involves taking MCPI — once considered Bengal's pride — out of the purview of Board for Industrial & Financial Restructuring (BIFR) by infusing funds to write off its accumulated losses before management stake is transferred to TCG. The firm's accumulated losses stands at around ₹4,000 crore.

Mitsubishi Chemical Corporation (MCC) signed a share purchase agreement with TCG in Tokyo on Wednesday. MCC will retain a minority share in the company and continue to provide technical and operational support.

"MCPI's main problem is the substantial amount of debt it has incurred, the huge accumulated loss and its continuance as a 'sick unit' under BIFR," MCC said in a statement. "The only way we could help MCPI overcome this critical scenario is perhaps

by infusing a large amount of additional capital to take it out of the fold of BIFR and to make it a zero debt company. This would enable it to mitigate its debt servicing and depreciation liability, factors that had been considerably affecting its profitability."

According to sources, the West Bengal government holds around 5% in MCPI and TCG plans to acquire at least 70% in the company.

MCPI, set up in 1997 for production and sale of PTA, a raw material for polyester, from its plant at Haldia in West Bengal. With a total investment of around ₹3,600 crore in two phases, MCPI now has an installed ca-

capacity of 1.27 million ton per annum. It has a turnover of around ₹6,000 crore and employs around 1,100 people. It supplies to materials to polyester and polyester fibre industries in India.

However, owing to severe market conditions MCPI became a 'sick unit' in April 2013 and has subsequently been referred to BIFR.

As part of the deal, MCC would share its experience and lend technical expertise to TCG-run Haldia Petrochemicals Ltd located next door so that it could have the benefit of value addition in order to improve its economic performance. According to MCC's statement this is part of its overall decision of accelerated transformation that involves structural reforms in the petrochemical business, which included restructuring ethylene production facilities.



The firm's accumulated losses stands at around ₹4,000 crore



Dabur India Limited

Regd. Office: 8/3, Asaf Ali Road, New Delhi -110 002
CIN: L24230DL1975PLC007908, Tel No. 011-23253488, Fax No. 011-23222051
Website: www.dabur.com e-mail: corpcomm@mail.dabur
e-mail for investors: investors@mail.dabur

Goodness of Honey
Nutrition of Super Fruits



(Amount in Rs.Cr.)

Extract of Consolidated Unaudited Financial Results for the Quarter Ended 30th June, 2016

Sl. No.	Particulars	Quarter ended (30.06.2016)	Previous Year ended (31.03.2016)	Corresponding Quarter ended (30.06.2015)
		(Unaudited)	(Audited)	(Unaudited)
1	Total Income from operations	1,928.44	7779.66	1907.07
2	Net Profit / (Loss) for the period (before tax, Exceptional and/or Extraordinary Items)	363.69	1553.80	324.44
3	Net Profit / (Loss) for the period before tax (after Exceptional and/or Extraordinary Items)	363.69	1553.80	324.44
4	Net Profit / (Loss) for the period after tax (after Exceptional and/or Extraordinary Items)	293.58	1253.90	262.46
5	Net Profit / (Loss) for the period after tax, minority interest and share of profit/(loss) of associates (after Exceptional and/or Extraordinary Items)	292.80	1251.15	261.84
6	Total Comprehensive Income for the period (Comprising Profit/(Loss) for the period (after tax, minority interest and share of profit/(loss) of associates) and Other Comprehensive Income (after tax)	312.99	1199.91	248.11
7	Paid-up equity share capital (Face Value of Re 1 Each)	176.15	175.91	175.68
8	Reserve (excluding Revaluation Reserve) as shown in the Audited Balance Sheet of previous year		3,994.70	
9	Earnings per share (of Re 1/- each) (for continuing and discontinued operations) (not annualised):			
	(a) Basic	1.66	7.12	1.49
	(b) Diluted	1.65	7.07	1.48

Notes:

1 Additional information on standalone financial results is as follows :-

Particulars	Quarter ended (30.06.2016)	Previous Year ended (31.03.2016)	Corresponding Quarter ended (30.06.2015)
	(Unaudited)	(Audited)	(Unaudited)
Total Income from operations	1,278.86	5,340.04	1,278.32
Profit before Tax	257.91	1,209.35	225.36
Profit after Tax	198.37	937.26	173.72

2 Results for the quarter ended 30th June, 2016 are in compliance with the Indian Accounting Standards (Ind AS) notified by Ministry of Corporate Affairs. Accordingly, results for the corresponding quarter ended 30th June, 2015 and previous year ended 31st March, 2016 have been restated to comply with Ind AS to make those comparable.

3 The above results, duly reviewed by the Audit Committee, have been approved by the Board of Directors in its meeting held on 27th July, 2016.

4 The above is an extract of the detailed format of standalone and consolidated Financial Results for the quarter ended on 30th June, 2016 filed with the Stock Exchanges under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full format of the standalone and consolidated Financial Results for the quarter ended 30th June, 2016 are available on the Stock Exchanges websites (www.nseindia.com, www.bseindia.com and www.mseil.in) and Company's website (www.dabur.com).

Place : New Delhi
Date : 27th July, 2016

By order of the Board
For Dabur India Limited
(Dr. Anand C. Burman)
Chairman
DIN : 00056216