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DSCL Sells its 100% stake in Energy Services Company

New Delhi, December 14, 2009

DSCL, an integrated business group, with a turnover of ~ Rs. 3500 crore, having extensive and growing presence across the Agri-rural value chain and Chloro-Vinyl value chain of businesses, has announced the sale of the entire equity stake in DSCL Energy Services Co. Ltd. (DESCO - a 100% subsidiary) to M/s Dalkia (India) Pvt. Ltd., a Company belonging to Veolia Group- France.

The equity stake has been sold at an overall business valuation of Rs. 10.64 crores in an all cash deal. In FY 2009 DESCO recorded a revenue of ~ Rs. 5.6 crore and a PAT of ~ Rs. 1 crore.

The transaction is effective 14th December 2009

DESCO, since 1999, is engaged in the business of providing consulting services in the area of energy management, energy efficiency and renewable energy projects with focus on reducing the energy cost and deriving of consequent environment benefit in the various sectors of the economy in India and overseas.

Dalkia, is the energy specialist of the Veolia Environnement Group, the world's largest provider of environmental services. Dalkia started its India operations in 2008 and provides integrated energy solutions that deliver energy savings, promote renewable energy and reduce greenhouse gas emissions.

Commenting on the development, Mr. Ajay S. Shriram, Chairman & Senior Managing Director and Mr. Vikram S. Shriram, Vice Chairman & Managing Director in a joint statement said *"DSCL has incubated DESCO business since inception, and its sale at this stage to Dalkia, the integrated energy solution provider, provides an excellent opportunity for its people to participate in the entire energy value chain and enhance their skills using a wider platform, while providing a fair value to DSCL."*

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