

ESSEL PROPACK LIMITED

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INDIAN SOUL, GLOBAL SPIRIT

EsseL Propack Sustaining Growth Momentum

March 22, 2011

Dear Investor,

During FY11, the Company has experienced strong growth, 18% YTD Q3 FY11. The growth, broad based across all regions, has been the result of market specific strategy implemented by the company.

The Company is unleashing a series of new initiatives in order to sustain this growth momentum during FY12.

AMESA

India: The Indian Market continues to be promising, showing strong customer demand.

Key steps taken to seize the market opportunity include:

- Creating focused manufacturing & supply chain capability for the plastic & pharma tubes categories at the units in Wada & Murbad.
- Significantly enhancing capacity for plastic tubes together with building new capabilities for offering innovative design, print and other advanced features for the high end cosmetic & hair care categories.
- Improving the supply chain responsiveness in the flagship oral care category, by decentralizing print capability.

Egypt: Egypt unit is consolidated as a hub for servicing in a big way the Middle-East & Africa demand. To this end, the factory has been relocated and new line installed. Opportunity to convert the pharma category into laminated tubes is being vigorously pursued.

EAP

China: China demand is expected to be buoyant. Last year, we had added two new facilities which are fully ramped up by now. We need to further expand to seize the growth opportunity. To this end, we are investing in de-bottlenecking of capacities as well as adding new lines backed up by long term customer contracts.

AMERICAS

US: The plastic tube facility in the US which is located 5 miles away from the existing facility for laminated tubes in Danville, Virginia, has been re-located to the laminated tubes facility. The integration of the two operations under one roof will bring in operational synergies helping to improve productivity, cut duplicate establishment costs and drive economies of scale.

Mexico: The Mexico business has been growing rapidly in the last two years. The existing Mexico plant is running at full capacity and there is no head room for further expansion. A new facility in an industrial zone is now being developed and the existing plant as well as new equipments will be located there. The new facility will facilitate pursuing of growth opportunities with new customers and in non oral care segment. The re-location will be completed by end of this quarter .

Europe

Poland: Having stabilized the new laminated tube facility in the existing Polish plant, new customers are being actively developed. Leveraging the infrastructure of the Polish Plastic tube business, the laminated tube facility will be ramped up through long term contracts with global customers.

Germany: The unit has grown strongly in this year, and will invest in new capacity to address the buoyant demand. The unit is successfully diversifying into high value, niche cosmetic category by deploying the new printing and tube capability set up during 2010.

Russia: The unit has grown strongly during this year by actively developing a portfolio of customers spanning various categories. The unit now has set up new capability to handle more of the higher value pharma and food categories to achieve value growth.

These various steps, it is expected and will greatly support the Company's thrust for a profitable growth and a larger market presence globally.

As its key customers consolidate their supply chain, EsseL Propack is pro-actively positioning itself as a reliable, long-term value adding partner with a one stop shop for quality and competitive supply of a range of products on a large scale.

Warm Regards,



Ashok Kumar Goel
Vice Chairman & Managing Director