

Birla Cellulose to invest Rs 1,600 cr in India, Egypt

Corporate Bureau

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Birla Cellulose, the fibre division of the Aditya Birla Group, is looking to invest Rs 800 crore in a greenfield project to produce viscose stable fibre (VSF) in Egypt. The funds for the same will be raised through internal accruals. Simultaneously, one more facility will come up at Vilayat, Gujarat with an investment of Rs 800 crore.

The facility at Egypt will manufacture 240 tonnes of fibre each day. The company, which has a 23% market share in the global fibre market, aims to enhance their share to 30% by 2010.

Says Vijay Kaul, chief marketing officer, Birla Cellulose, "We are fully geared to capitalize on the increased demand for VSF. Today, there is a marked shift in consumer preference towards cellulose products, both in the domestic and export markets. This robust growth and given our years of experience,

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brightens the company's outlook for the VSF business."

The company has also tied up with the Fashion Design Council of India (FDCI) to showcase its natural fibres - Birla Viscose, Birla Modal and Birla Excel. The fibres will also be showcased at the India Fashion Week in Delhi beginning March 12. "Nine fashion designers will showcase their collection using Birla cellulose fibres. "The models will walk the ramp at a special event titled Birla Cellulose Next Generation," added Kaul.

Also, fashion designer Anita Dongre said that she too uses

the fibre provided by Birla Cellulose. "As a promoter of new fashion concepts, I am proud to be associated with Birla Cellulose which has been pushing the cause of responsible fashion by producing environment friendly third generation fibres," she said.

The company has already invested Rs 40 crore in its Textile Research Application and Development Centre (TRADC) in Gujarat to deepen its research and application-driven processes for developing cutting-edge fibres to promote eco-fashion.