

Birla Cellulose lines up Rs 1,600-cr capex

Our Bureau

MUMBAI

BIRLA Cellulose, the viscose staple fibre unit of Grasim Industries, on Friday said it would invest Rs 1,600 crore to enhance its capacity by 60% in the next few years. "We will be investing Rs 800 crore each in Egypt and India to enhance our capacities from the current 1,500 tonne per day to 2,400 tonne by 2011," said company chief marketing officer Vijay Kaul. "We would set up greenfield manufacturing facilities in the domestic and international markets," he added.

Birla Cellulose, which controls 23% of the global VSF capacity, would build new plants at Vilayat in Gujarat and in Alexandria in Egypt. "With the capacity addition we will now control 30% of

the global VSF capacity," Mr Kaul said, adding that by setting up a manufacturing facility in Egypt, Grasim can cater to the needs of the entire European market.

Birla Cellulose currently, has manufacturing facilities in Canada, Thailand, India, Indonesia, China and Laos.

Meanwhile, Birla Cellulose is also partnering with the Fashion Design Council of India to showcase its entire generation of natural fibres Birla Viscose, Birla Viscose Plus, Birla Modal, and Birla Excel to the fashion world.

"As a global market leader, we see changing trends in the domestic and foreign regions and the increasing accent on natural fibres. To promote our existing nature-based fibres we have aligned with the FDCI and leading fashion designer," Mr Kaul said.