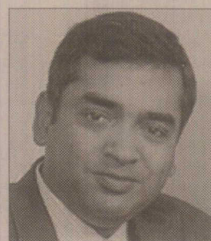


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Ashish Bharat Ram  
MD  
SRF

Entering Bangladesh is a strategic move to capitalise on the sustained growth in the

country. The management of the joint venture firm will wrest with SRF, while the local partner brings in the local market knowledge

## SRF in JV with Bangladesh firm for polyester film plant

RAKESH KHAR

New Delhi

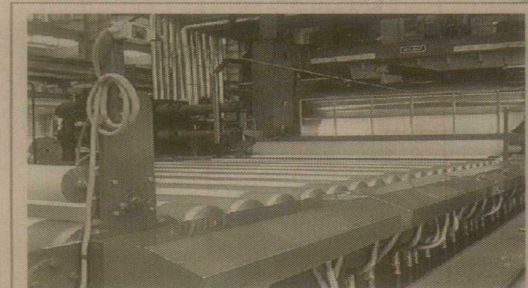
SRF, the Rs 2,600 crore multi product multi business company, has entered into a 80:20 joint venture with Bitol-Niloy of Bangladesh to set up a 28,500 mt per annum polyester film plant at an estimated cost of Rs 320 crore (\$70 million). The project would be commissioned by 2012, managing director, SRF Ashish Bharat Ram, told *Financial Chronicle* here on Tuesday.

Going east, Bharat Ram said, was part of a plan to help SRF grow well beyond India and that the "company had drawn an acquisition strategy eyeing companies with \$200 to \$250 million annual sales globally in the technical textiles business."

The company is eyeing \$1 billion annual sales in the next two years while it hopes to clock about \$750 million end this fiscal. SRF earlier acquired two foreign companies, one in Thailand and the other one in South Africa, in 2008.

SRF managing director said while the global technical textiles business totalled about \$130 billion annually it was highly fragmented. This offered several opportunities especially since there were very few companies with a billion dollar revenue or more. "There are several small-sized companies globally in the technical textiles with revenues of \$200 to 250 million. These are all potential targets from our perspective," he added.

Asked to specify the acquisition game plan, he said, "We are looking at potential targets but there is no hurry. It all depends upon the opportunity. We have a team in place to look at M&A and it is capable to identify and execute a



### Foreign ventures

■ The joint venture is to set up a 28,500 mt per annum polyester film plant at an estimated cost of Rs 320 crore (\$70 million) and the project would be commissioned by 2012

■ The company is eyeing \$1 billion annual sales in the next two years while it hopes to clock about \$750 million end this financial year. SRF earlier acquired companies in Thailand and South Africa in 2008

he said, "Entry into Bangladesh is a strategic move to capitalise on the sustained growth story in the country. The management of the joint venture company would wrest with SRF while the local partner brings in the local market knowledge and expertise."

### The management of the JV would wrest with SRF while local partner brings in market expertise

deal." In reply to another question on whether the company had the financial capability to effect another acquisition, Bharat Ram said, "Raising Rs 600 crore to Rs 650 crore for a worthwhile target is not at all difficult since we have established relationships with several top banks and financial institutions."

Giving details about the Bangladesh joint venture,

SRF, which recently underwent a re-branding exercise, is also eyeing entry into the B2C segment from traditionally being primarily a B2B player. "We believe our coated fabric applications business is a new space for us but one which can get us closer to the end consumer. The product range includes canopies, tents, container covers, biogas bags, and soft tops for multi-utility vehicles," he added.

SRF/BSE Rs 336.35 ▲  
NSE Rs 335.00 ▼

rakeshkhara  
@mydigitalfc.com