

Indo Rama weaves a contract cotton farming design

May start power generation as a separate business

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Indo Rama Synthetics (India) Ltd, the country's second-largest polyester maker, may foray into contract cotton farming in the next couple of years and also focus on power generation — to set up a separate business.

Meanwhile, the company has expanded the capacity of its second plant in Nagpur, which will assist it in facing the buoyant market conditions and emerge as a leader in the man-made fibre industry. The expansion came with an investment of Rs 1,000 crore and it has helped double the company's capacity to 6 lakh metric tonnes.

Indo Rama recorded a jump in sales during the first two months of this fiscal after its Nagpur unit went on stream. Its combined sales during April-May 2007 were up 63% at 73,459 tonnes from 45,171 tonnes clocked dur-



ing the corresponding period in 2006.

O P Lohia, chairman and managing director, Indo Rama Synthetics (India) Ltd, said: "Going forward, the company would be able to cater to the demand existing in the market and ex-

Stretching out

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pansion would enable it to meet the expected surge of demand in the polyester segment."

Indo Rama group is planning to help cotton growers of the Nagpur region. The company already set up two captive power plants of 15 MW capacity each at its second polyester manufacturing plant in Nagpur.

Indo Rama expects to achieve a turnover of Rs 3,500 crore in 2007-08, a jump of over 50% from the last fiscal's revenues of Rs 2,000 crore.