Business Standard

Indo Count Industries decides to undertake capex of Rs 200 crore

Capital Market **March 19, 2021** Last Updated at 10:17 IST

For expansion, modernization and a brownfield investment

Indo Count Industries announced that the Project Management Committee of the Board of Directors of the Company at its meeting held on 18 March 2021 has approved expansion of its bed linen capacity by - 20% from its existing annual capacity of 90 Mn meters to 108 Mn meters by debottlenecking and balancing its facilities.

Further, the Company proposes to make a brownfield investment for adding commensurate cut & sew facilities and for enhancing the capacity for Top of the Bed (TOB) products. This will entail a capex of - Rs.150 crore.

The existing spinning unit will also be modernized with compact spinning technology. This will entail a capex of Rs. 50 crore. Post modernization, this capacity will also be used for captive consumption in the company's home textiles unit.

The total capex will be - Rs.200 crore and will be funded by a mix of internal accruals and debt and is expected to be operational in H2 of FY2022.

The home textiles plant is operating almost at its full capacity. Considering the increasing demand and growing business volume, it was decided to undertake expansion and modernization. These investments are expected to increase the revenue by Rs.600 crore over the next 2 years, post commissioning.

Powered by **Capital Market - Live News**