

# **NET INDIA NEWS NETWORK**

**JULY 20'2016**

## **SVP Global Ventures sets up 100,000 spindles project in Rajasthan**

SVP Global Ventures Limited, a part of the Shri Vallabh Pittie Group and a diversified yarn manufacturing company listed on the BSE, today said it had embarked on a Rs. 1 ,000 crore expansion plan in Rajasthan.

A press release from the company said it had executed a Rs. 450 crore textile plant at Dhanodi Industrial Area, Jhalawar, in Rajasthan. The funds for the expansion are being generated through a combination of debt, internal accruals and promoter infusion of equity, it said.

“Having completed the work in just about nine months on 25 acres of land, this is the fastest constructed textile plant in the world. It is also among the first few plants to be commissioned under Resurgent Rajasthan project,” Mr Chirag Pittie, Managing Director of SVP Global Ventures said.

The fully automated plant with 1,00,000 spindle capacity, has a manufacturing capacity of 22,000 tonnes per annum. The Phase I of the project employs 500 people and will annually provide a stable source of livelihood to more than 30,000 farmers, the release said.

The plant will manufacture combed compact yarn that will be exported to many countries including China and commands a premium in the market. The compact yarn is also low on hairiness, has higher strength and elongation, less fiber fly, and has significant advantages in downstream processing, it said.

"This will help the project generate higher margins as compared to other spinning mills," it said.

"As part of the Rajasthan Government's package, SVP has also derived significant advantages like interest subsidy, VAT benefit and electricity duty rebate which may ultimately have a positive impact on the company's bottomline," the release said.

“Our capacity will increase to 200,000 owned spindles as the new plant will produce high quality compact yarn of count 20 to 60," Mr Pittie said.

The company is also executing work on a Rs. 330 crore phase-II of Jhalawar plant which is expected to be on stream by the end of the year.

Headquartered in Mumbai, the SVP Group already owns three units at Coimbatore, Palani, Madurai in Tamil Nadu for manufacturing polyester and cotton blended yarn. Manufacturing facility is fungible between specialized cotton, polyester and blended yarns depending on customer preference and demand scenario.

