

GHCL planning to hive off ITeS arm Colwell & Salmon

● Co To Concentrate On Home Textiles & Soda Ash Biz

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SANJAY Dalmia-controlled textiles and chemicals company GHCL is planning to hive off its ITeS subsidiary Colwell & Salmon Communication. Dalmia, who is the chairman of Colwell & Salmon, told ET that the company is exploring all possibilities, including a sell-off.

He added that the company was open to hiving off the estimated \$15-million ITeS arm of GHCL and plans to focus on home textiles and soda ash businesses. "Our ITeS division comprises a small portion of our overall business interest, especially if we view this from an overall perspective. Our strategy will be to concentrate on our home textiles and retail and soda ash businesses. We are looking at strategic options with regard to ITeS business," said a source. Colwell & Salmon provides services to leading organisations in the US, UK and Australia, which is facilitated by a global network of client management offices and delivery centres at multiple locations across the US, UK and India. Meanwhile, GHCL on Monday announced its results for quarter ended on June 2006. The company's net sales increased by 19% to Rs 165.69 crore from Rs 139.10 crore reported in the corresponding quarter last fiscal. Profit after tax increased by 45% in the present quarter to Rs 31.04 crore from Rs 21.47 crore in the quarter ended June 2005.

"We are looking forward to a strong growth in the coming quarters on the back of successful integration of our overseas-acquired capacities and markets both in the area of textiles and soda ash," said Dalmia. According to him, in the home textiles, GHCL now possesses the ideal combination of being a low-cost strong manufacturing base such as India with a large established marketing platforms such as company's recent acquisitions Rosebys, UK's largest home textile retailer and Dan River, US-based textiles company, to put the company on the fast track growth.