

Himachal Fibres Ltd. paved its way for thriving venture in rPET Bottle to Bottle Chips and manufacturing of Acoustic Panels business – Acquisition of 51% stake in Shiva Cottex

5th January 2024, Ludhiana: Himachal Fibres Limited, a BSE listed Company (HIMFIBP | 514010 | INE723D01021), has today decided and approved to acquire **51% stake in Shiva Cottex Private Limited** by subscribing to its equity share capital. This strategic move solidifies our commitment to enter into manufacturing of innovative and sustainable products from waste plastic material.

Shiva Cottex Private Limited will become subsidiary of Himachal Fibres Limited, and is currently in the process of establishing a state-of-the-art production line for rPET bottle to bottle chips, with an annual capacity of 7,000 tonnes.

Additionally, Shiva Cottex Private Limited is setting up a cutting-edge manufacturing facility for acoustic panels made from rPET, with an annual production capacity of 7,50,000 square meters.

Both facilities are expected to commence commercial production in the Financial Year 2024-2025.

Commenting on the above acquisition of Shiva Cottex Private Limited, **Mr. Akhil Malhotra, Chairman of Himachal Fibres Limited** said -

“We are thrilled to announce the successful integration of Shiva Cottex Private Limited into the Himachal Fibres Limited family. As we navigate this strategic milestone, it is noteworthy that there is growing consumption of PET bottles in India and globally. At present, there is an annual consumption of 1.1 million tonnes (approx.) of PET bottles in India, and with Extended Producers’ Responsibility (‘EPR’) Regulations requiring minimum usage of 30% from recycled PET from FY 25 onwards, the demand for rPET bottle chips is going to spurt substantially specially from the brands like Coca Cola, Pepsi, Hindustan Unilever, etc. Further, the production capacity for rPET bottle to bottle chips is very less in India as compared to future demand post implementation of EPR regulations.

Furthermore, the innovative acoustic panels made from 100% rPET address the increasing need for noise reduction solutions in theatres, offices, and various other spaces without comprising on the design element.

We believe that this venture into rPET bottle to bottle chips and acoustic panels will not only be financially rewarding but will also contribute significantly to our commitment to sustainability.”

Safe Harbour Statement/ Disclaimer

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, potential project characteristics, project potential and target dates for project related issues are forward- looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.