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SCA and Godrej form JV for hygiene products in India

SCA and Godrej Consumer Products Limited have announced the forming of a Joint Venture for the manufacturing and marketing of absorbent hygiene products, specifically sanitary napkins and baby diapers, in India, Nepal and Bhutan.

SCA and Godrej Consumer Products Limited will be equal partners in the Joint Venture incorporated as Godrej SCA Hygiene Limited. The Joint Venture is being set up with an equity capital of Rs.200 million (32 MSEK) through equal investments by both parents.

Godrej Consumer Products Limited is one of India's fastest growing Fast Moving Consumer Goods (FMCG) companies with annual consolidated sales of Rs.7 billion (1,1 BSEK) in the last financial year (2005-2006).

"The Joint Venture gives us a great platform for entering the Indian market with our successful consumer products. The Indian market is very exciting and we plan to increase our sales there substantially over time", says Gunnar Johansson, President, SCA Personal Care.

The Joint Venture company will over time make investments for local manufacturing of the products and also in marketing of their brands to gain market shares in the feminine hygiene and baby diaper categories.

The new company will immediately get access to the wide distribution network of Godrej Consumer Products Limited whose brands are available in over two and a half million retail stores. Godrej SCA Hygiene Limited will buy the "SNUGGY" brand of baby diapers from Godrej Consumer Products Ltd. SCA will bring to the Joint Venture its world leading technology and brands for the Indian market.

Mr. A. B. Godrej, Chairman Godrej group will be the Chairman of the new company.

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