

GHCL acquires US-based Best Manufacturing Group

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NEW DELHI: Sanjay Dalmia led GHCL has acquired HW Baker division of US based Best Manufacturing Group. The division which specialises in hospitality linen has been acquired in a deal worth \$6.75 million through GHCL's step down subsidiary Dan River.

It supplies textile products, amenities and guest room supplies to hotels and motels across USA. The transaction was closed after a competitive bidding.

HW Baker itself was acquired by New Jersey based Best Manufacturing Group in 2002 and has been serving as the hospitality division of the company. A chapter 11 case, Baker had generated revenues of about \$70 million last year. The acquisition would strengthen GHCL's presence in the US, especially in the institutional textile segment.

Founded more than a century back Baker was one of pioneers in the field of textile for hospitality sector. The division provides each sector of the hospitality industry with bed, bath and dining linens as well as front and back-of-the-house apparel.

As a part of the transaction Dan River would acquire only the assets of Best Manufacturing division. ET had first reported on the deal in its edition dated 4 December, 2006. As reported earlier, this would be the fourth international merger and acquisition (M&A) deal closed by the Sanjay Dalmia group over the last one year.

The textile-chemicals company GHCL had earlier acquired Rosebys a home textile retail chain in the UK, SC Bega Upsom a soda ash maker in Romania apart from Dan River a textile company in the US