

BKT Bhuj to get new black carbon plant by 2018

PNS ■ NEW DELHI

Balkrishna Industries Ltd. (BKT), an off-highway tire manufacturer, is going to set up a black carbon production plant at Bhuj in Gujarat by the end of this year which will contribute in reduction in time and cost of manufacturing process, company officials told *The Pioneer*.

The ambitious project will sprawl over 8 hectares within Bhuj plant, and is estimated to cost the company around \$23 million. Currently, BKT imports black carbon from different locations and the new full-fledged plant will help meet growing demand of BKT tires world over, and provide raw material to boost production.

The carbon black plant is another step forward in the company's middle- and long-term strategy, which started with setting up the Bhuj site. Inaugurated in 2015, extending over an area of 120 hectares, and having had a cost of \$500



million, Bhuj boasts state-of-the-art production facilities and machinery. It is located in a strategic position in proximity to the commercial port of Mundra, which has already been an important logistic hub for BKT's exports.

In the first quarter of the current fiscal year, Balkrishna Industries posted 50.35 per cent year-on-year (YoY) rise in profit at ₹230.25 crore for the quarter ended June 2018. It had posted a net profit of ₹153.14 crore in the corresponding

quarter last year.

Total income of the tyre maker jumped to ₹1,444.62 crore in Q1FY19 over ₹1,104.26 crore in the same quarter last year.

The board also declared an interim dividend of ₹2 per equity share of ₹2 each. The cash outgo on account of interim dividend and tax will be ₹46.61 crore.

The company's sales in 2004 was ₹250 cr, and in the fiscal year 2017-18 it has recorded massive growth at ₹4800 cr.