

Phillips Carbon to double speciality black's share to 15% of output capacity

OUR BUREAU

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Phillips Carbon Black Ltd (PCBL) expects the share of value-added and speciality carbon black to almost double to 15 per cent of its total production capacity in the next two years. Value-added and speciality carbon currently account for around 7-8 per cent of its capacity.

PCBL's total installed capacity currently stands at 5.15 lakh tonne a year. The capacity utilisation is almost 100 per cent.

"The focus for us moving forward is on value-added and speciality blacks. As we go ahead, nearly 15 per cent of our capacity will come from value-added and speciality carbon black. This will help shore up our margins," Sanjeev Goenka, Chairman, PCBL, said.



Sanjeev Goenka, Chairman, PCBL DEBASISH BHADURI

For the quarter ended December 31, 2018, the company's revenue grew by nearly 54 per cent to ₹950 crore (₹619 crore). Net profit increased by 92 per cent to ₹108 crore. The improvement in profits was mainly on account of shift in product mix to

more value-added premium grades, customer centric initiatives and an improvement across all functions, Goenka said.

Capacity expansion

PCBL's 56,000-tonnes additional capacity at Mundra in

Gujarat has been commissioned, while the other expansion of 32,000-tonne capacity at Palej in Gujarat is expected to be completed by Q3 of FY20.

The company is also expecting to freeze the location of its proposed ₹600-crore green-field project in South India by March this year. PCBL has been in talks with the State governments of Tamil Nadu, Andhra Pradesh and Telangana for setting up the plant which will have a capacity of 1,50,000 tonnes per annum.

The company's board has declared an interim dividend of 175 per cent (₹3.50 per share) on the face value of ₹2 per share for the financial year ending March 31, 2019. PCBL's scrip closed at ₹207.80, up by 2.36 per cent on the BSE on Wednesday.