

Phillips Carbon Black to set up TN plant for ₹600 crore

KOLKATA: Phillips Carbon Black Ltd (PCBL) will set up a greenfield carbon black plant in Tamil Nadu and undertake brownfield expansion in two of the existing plants at a combined capex of Rs 900 crore over the next two years, a top official of the company on Friday claimed.

The new initiatives would raise the country's largest carbon black maker's capacity by another 50 per cent to 7 lakh tonnes.

PCBL is also planning to raise equity capital by another Rs 400-500 crore by 2018, chairman Sanjiv Goenka said here on Friday.

"We are setting up a 1.5 lakh tonne capacity carbon black greenfield plant at Ennore in Tamil Nadu at an expenditure of Rs 600 crore. Along with it, we



will go for de-bottlenecking of Dahej and Palej plants at a cost of Rs 300 crore," Goenka said.

The total capacity will jump by 50 per cent to seven lakh tonne in the next two years by when all the projects will be completed.

Brownfield expansion by way of de-bottlenecking in the two plants will add capacity by 80,000 tonnes and these two projects will be completed first followed by the greenfield plant near Chennai, PCBL MD & CEO Kaushik Roy had said

earlier.

The company also has plants in Mundra (2 lakh tonne) Cochin (1 lakh tonne) and Durgapur (2 lakh tonne).

Goenka said the company chose Tamil Nadu as the destination for its new plant as several tyre majors in the southern state are either expanding or setting up new ventures.

Carbon black adds stability and hardness to tyres, besides giving them the black colour.

Goenka said there is an equity issue proposal but details are yet to be finalised. However, according to officials, the issue size will be between Rs 400-500 crore.

The company board has already approved capital issuance up to Rs 500 crore.

PCBL Q4 Net up 174 per cent to Rs 74 crore. PTI