

INDUSTRY

# MPL to triple propylene glycol output capacity

SPECIAL COVERAGE

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## Firm will invest ₹150 crore to triple capacity

Manali Petrochemicals Ltd. (MPL) is planning to triple its annual production capacity of propylene glycol (PG) to 300,000 tonnes by investing up to ₹150 crore, the firm's managing director (MD) M. Ravi said on Wednesday.

“We have decided to triple the capacity of PG, from 100,000 tonnes to 300,000 tonnes, in two phases and the total investment will be around ₹150 crore,” said Ravi.

“The funding for the project will be from internal resources,” he said.

The board of directors of the firm approved the proposal on Wednesday, which is expected to be completed in two phases. The first phase will be completed by the end of 2022, increasing the capacity to 200,000 tonnes and later, by another ₹150 crore, the capacity will be tripled to 300,000 tonnes, making the total volume of production 300,000 tonnes annually, the firm said.

## M. Ravi

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Stating the additional capacity would increase the domestic market share of MPL, he said the expansion was meant to build local capacity, reduce import content and save foreign exchange outgo.

“We see this as a sustainable model, going forward,” he added. The primary focus of the project will be to supply to two sectors viz. pharmaceuticals and food.

The growth in demand expected in future in these two sectors will help MPL meet its sales target post the expansion, according to M. Ravi, MD, MPL.

Manali Petro is the sole domestic manufacturer of PG, which is widely used in pharmaceutical, food and flavours and also for industrial applications. The demand for PG in India is about 100,000 tonnes per annum, which is estimated to grow by 5% annually. The current shortfall is met through imports from China and Central Asia, he said.

Stating that pandemic affected its first quarter performance, Mr. Ravi said that things started improving in the second quarter and they expect to recover over the next two quarters.

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