

# Manali Petrochemicals to invest Rs 150 crore to expand capacity

*The move is aimed to increase the domestic market of the MPL by reducing the dependence of the country on imports from China and Middle East countries.*



Published: 23rd September 2020 10:25 PM | Last Updated: 23rd September 2020 10:25 PM  | [A+](#) [A](#) [A-](#)



Manali Petrochemicals Limited (Photo | manalipetro.com/)

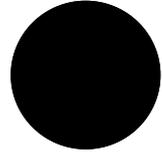
By Binita Jaiswal

Express News Service

—:—

/

—:—



CHENNAI: Manali Petrochemicals Limited (MPL), has decided to invest Rs 150 crore in ramping up its annual production capacity of propylene glycol (PG) from 22,000 tonnes per annum to 70,000 tonnes per annum. The move is aimed to increase the domestic market of the MPL by reducing the dependence of the country on imports from China and Middle East countries.

The only manufacturer of PG in India, the company aims to expand its capacity by 48,000 tonnes in two phases. After getting necessary environment clearance and other approvals, the expansion will take place at the area adjacent to its existing plant in Chennai. In the first phase, the expansion of 24,000 tonnes is expected to be completed in 18 months to 21 months' time. The expansion will be funded through internal funds, said the company's top officials.

The company said there is a huge demand for propylene glycol in India and a significant quantum of it is fulfilled by imports. The annual demand for PG in the country is estimated at about 100,000 tonnes, of which about 75,000 tonnes are imported from various countries.

“We see a sustainable strong demand for PG in the food and pharmaceutical sectors. The demand for PG in India is about 100,000 tonnes per annum which are estimated to grow by 5 per cent annually. The expansion will help MPL to cater to the rising demand of PG,” said Ashwin Muthiah, chairman of the company. “The investments are in tune with our credo of creating sustainable businesses which

are future proof. We are building our plants through indigenous technology and investing in our home-grown R&D efforts with a clear focus on self-reliance and world-class domestic production,” added Muthiah,

The substitution of imports will save significant import bills and will also propel India towards self-sufficiency in PG production capability.

M Ravi, Group CEO, Petrochemicals, and MD-MPL said the expansion decision has been taken to make the business more sustainable and balanced. “We want our products to not only solve an inherent demand gap but be a good import substitute for the country, saving precious foreign exchange,” said Ravi.

---

### More From The Section



Bitcoin jumps above \$50,000 for first time since May



Zupee raises USD 30 million at pre-money valuation in Series B funding round



Xiaomi to offer full spectrum of financial services in India via partners



India can become world's second-largest cloud talent hub: Nasscom

123456



Government no impact on jewellers' sales against gold hallmarking rules

Now we are on Telegram too. Follow us for updates

---

TAGS **Manali Petrochemicals** **MPL** **propylene glycol** **China imports**

---