

Clip: 1 of 1

Skipper to open four plants this fiscal

Will increase PVC pipes capacity four-fold to 40,000 tonnes

OUR BUREAU

Ahmedabad, April 14

Kolkata-based PVC pipes and transmission towers maker Skipper Ltd is planning to open four new plants in different locations in India this fiscal, which would increase its PVC pipes capacity by four times to 40,000 tonnes a year.

The company will start commercial production at its new plant in Ahmedabad on Wednesday.

"At present, we have 10,000 tonnes per annum (TPA) of manufacturing capacity at our Kolkata plant. The Ahmedabad facility has an additional 10,000 TPA. During this year, we are planning to open three more with a combined capacity of 20,000 TPA, which



will increase our total capacity to 40,000 TPA," Devesh Bansal, Director, Skipper, told reporters here.

The other three plants may come up in Guwahati (Assam), Ghaziabad (Uttar Pradesh) and Sri City (Andhra Pradesh). Setting up plants outside West Bengal is a strategic decision to reduce the company's freight cost to cater to other markets in the country, said Bansal.

The company, which has al-

ready invested ₹50 crore for the Ahmedabad plant, plans to pump in ₹50 crore more for expansion this fiscal.

Bansal added the company focuses more on the high-growth segment of PVC, which is growing at 7-8 per cent annually. "Our plan is to increase our PVC pipe making facility to 100,000 TPA over a period of two-three years."

The PVC business accounted for 10-15 per cent of Skipper's total turnover of around ₹1,041 crore in 2013-14. The company is yet to announce its financial results for 2014-15.

According to market estimates, the country's PVC pipes market is estimated at 1.8 million tonnes a year, or roughly ₹15,000 crore, which is expected to reach ₹20,000 crore by 2019. Of the total PVC pipes market, the agriculture sector has 60 per cent share, while the plumbing segment has 40 per cent.