37. Haycarb

Haycarb’s business model is anchored on the four strategic pillars of innovation, technical excellence, customer centricity and sustainability, which is practiced as a way of life in all aspects of its operations.

Board of Directors

Mohan Pandithage

Chairman/Chief Executive

Rajitha Kariyawasan

Managing Director

1. Dhammika Perera

2. Arjun Senaratna

3. Sarath Ganegoda

4. Jeevani Abeyratne

5. Dr Sarath Abayawardana

6. Sujeewa Rajapakse

7. M S P Udaya Kumara

8. Brahman Balaratnarajah

9. Sharmila Ragunathan

10. Ali Asgar Munaver Caderbhoy

11. James Naylor

12. Mohamed Hisham Jamaldeen

13. Shamalie Gunawardana

14. Dinusha Bhaskaran

Strongest results in 45 years

Haycarb, a proud subsidiary of Hayleys and yet another shining jewel in corporate baron Dhammika Perera's vast portfolio of businesses, recorded the most robust financial performance of its 45-year history under very able and perceptive leadership marked by heightened profitability and a strong balance sheet.

The Haycarb Group reported a profit before tax and profit after tax of Rs.4.49 billion and Rs.3.56 billion, respectively. Gross profit increased to Rs.7.5 billion, accompanied by a 25% increase in the gross profit margin to reach 29.6%. The increase in the Company's profitability was reflected in an ROE of 24%, compared to 17% last year.

A Strong, Organic Growth

Haycarb Group recorded a total turnover of Rs.25.48 billion, a growth of 12% over the previous year. The primary driver of this performance was the activated carbon turnover, which increased to Rs.23.1 billion from Rs.19.3 billion in 2019/20.

A surge in overall sales volumes of all activated carbons, together with a significant contribution made by the increase in value-added products, resulted in the higher turnover, which is creditable against the backdrop of lockdowns. R&D efforts to broaden the value-added portfolio coupled with an incisive marketing strategy saw heightened sales in energy storage, point of use (POU), gold recovery, respirator, pelletized and impregnated carbons, enhancing Haycarb's position in the specialized and high-end market segments.

Puritas, the environmental engineering arm of the Group, made significant strides by securing important projects in Sri Lanka. It came under the Water Supply and Sanitation Improvement Projects (WaSSIP initiative), which is administrated by the Ministry of Water Supply and the Climate Resilient Integrated Water Management Projects.

Resilience Built on Strong Fundamentals

First, Haycarb’s emphasis on capacity building and increasing value addition capabilities across all manufacturing facilities are evident in its investment of over Rs.7 billion in capital expenditure during the last ten years. This enhanced manufacturing potential allowed the Company to respond swiftly to meet demands and gain footholds in new markets.

Haycarb continued its forward-looking investment plans with over Rs.1 billion invested in capital projects during 2020/21, with a particular focus on increasing capacities and building value-added and premium product manufacturing capabilities. Second, a key competitive differentiator that sets Haycarb apart is its diverse, extensive raw material procurement network, spread across all significant coconut-producing countries in the region, and its manufacturing footprint spans three countries.

Efforts in backward integration such as the green charcoaling projects Haritha Angara in Sri Lanka and Vertical Kiln Charcoaling in Thailand and its protocol of maintaining considerable buffer stocks enabled the Company to compensate for supply disruptions caused by the pandemic and deliver on time to customers.