

Emami takes its edible oil pan-India with ₹200 cr investment

Will launch Healthy and Tasty brand in a phased manner

OUR BUREAU

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Emami Agrotech, part of Kolkata-based Emami Group, plans to launch its edible oil brands across the country with investment of ₹200 crore.

The company will launch range of edible oils, including sunflower, mustard, soyabean and rice bran, under its Healthy and Tasty brand in Maharashtra, Delhi, Uttar Pradesh, Haryana, Punjab, Bihar and Odisha in the first phase, and take it up in Chhattisgarh, Madhya Pradesh, Rajasthan, Jharkhand

followed by rest of India.

The company has one of the largest port-based edible oil refinery of 4,000 tonnes per day at Haldia in West Bengal, besides another 1,300 tonnes at Krishnapatnam Port in Andhra Pradesh.

This apart, the company plans to invest ₹100 crore in setting up an oil mill at Jaipur in Rajasthan to process 500 tonnes of mustard seed into oil.

The plant is expected to be commissioned in eight months.

To further strengthen its port-based edible oil refining capacity, it recently acquired land near Kandla Port in Gujarat, and expects to put up an oil refinery in



Aditya Agarwal, Director, Emami Group

15 months. It is also in final stage of discussion to buy land near JNPT near Mumbai.

Market share

Aditya Agarwal, Director,

Emami Group, said the H&T brand has managed to garner 16 per cent market share during the last five years in West Bengal, while in rice bran oil it enjoys 50 per cent market share.

The company targets edible oil business to register turnover of ₹5,000 crore in five years from the current level of ₹600 crore.

The domestic edible oil market is estimated at ₹1.60 lakh crore with annual sales of 30 lakh tonnes.

The problem of adulteration is rampant in edible oil sector with sale of packed oil accounting only for 30 per cent.

Unfortunately, Agarwal said the adulteration is more in oil sold in loose at

the major oilseed-producing States.

Emami plans to sell edible oil in sachets of ₹5-10 to make people switch from buying oil in loose.

"Though sale of oil through sachets will not add much to our profit, we find it a sensible way to enter consumer home and good brand building exercise," he said.

The company is also exploring the possibility of enhancing its biodiesel production from 10,000 tonnes per month, if the government provides offtake guarantee at remunerative price.

It produces biodiesel using styrene derived while refining crude edible.