

News monitored for: Emami Group

Emami Agrotech mulls launching snacks, ready-to-eat products

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Emami Agrotech Ltd is exploring the possibility of launching newer categories in the food segment, with a specific focus on nutrition and wellness.

The company, which is a part of the Emami Group, is also looking to strengthen and consolidate its presence in the eastern, northern and western regions of the country before expanding its presence in the south.

"We are open to the possibilities of rolling out ready-to-eat, snacks and other variants which may provide both taste and nutrition to our customers," Aditya V Agarwal, Director, Emami Group, said at an e-interaction with the media while launching Emami Healthy & Tasty Smart Balance Immunity Booster Oil on Thursday.

The company is in the process of conducting R&D in some categories.

Agarwal said there was a rising concern about family well-being in general in the post Covid-19 world and consumers were in search of food products and sup-



Aditya V Agarwal, Director, Emami Group

plements to enhance immunity. He said Emami Agrotech's latest variant of immunity booster edible oil would help address this basic need of the consumer.

Emami Agrotech expects to clock around ₹150 crore business this fiscal from its latest variant of edible oil on the back of a greater awareness about wellness.

Strengthening distribution

Meanwhile, the company is looking to ramp up its distribution network to further strengthen its edible oil and spices business. Emami Agrotech currently has a distribution network of 3.5-4 lakh outlets. It has also been wit-

nessing a steady rise in sales through online channels.

Online sales, which currently account for 7-8 per cent of its total sales, estimated to be close to ₹12,000 crore in FY20. The share of online sales is expected to grow to 10-12 per cent by the end of this fiscal.

The company is expecting a flat growth in sales and profitability in FY21 due to the slowdown in demand from restaurants and out-of-home consumption.

"While our in-house consumer pack consumption has increased by around 15-20 per cent so far during this quarter, the overall sales have dropped by around 10 per cent due to muted demand from restaurants and drop in out-of-home consumption," he said.

The company's capacity utilisation has come back to pre-Covid levels and it has been able to utilise 70-80 per cent of its capacity. It has manufacturing facilities at Haldia, West Bengal; Krishnapatnam, Andhra Pradesh; Jaipur, Rajasthan with a total capacity of around 9,000 tonnes per day.