

News monitored for: Emami Group

Emami Agrotech to invest over ₹1k cr to expand its foods biz

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Emami Agrotech Ltd, the edible oils business of Kolkata-based Emami Group, plans to spend ₹1,000 crore to ₹1,500 crore over the next three years to diversify its business from edible oils to a broader suite of food products, two senior executives of the company told *Mint*.

“We are focused on achieving our business target of ₹25,000 crore by 2025, as we continue to explore entering into newer categories with a total business investment of ₹1,000-1,500 crore over the next three years to emerge as one of the leading food brands,” said Aditya V. Agarwal, director, Emami Group.

A significant part of this investment will go towards marketing to build the brand on a national level, he said.

In 2019, the company announced its foray into the spices category with the launch of Emami Healthy & Tasty Mantra Masala, a range of powder spices and tastemakers. This was followed by a foray into the processed food category with the launch of Emami Healthy & Tasty Smart Balance Nutri Soya Chunks in 2021. Its main business is a wide range of edible oils such as mustard, sunflower, soya-bean, palmolein, rice bran and other blended oils.

It will invest heavily in taking the spices brand national,



Aditya Agarwal, director, Emami Group.

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while the soya chunks product will also be expanded to more states in eastern India.

“Our spices plant in Jaipur will be operational by next month and by January or February we will take the spices brand national. We expect these two categories to generate a topline of ₹200 crore to ₹250 crore in the next three years,” said Manish Goenka, director, Emami Group.

The foray into the food segments will help the company improve its financials as the oils business is a low-margin business. The company, which expects to close FY22 with a revenue of around ₹20,000 crore, aims to scale up its revenue to ₹25,000 crore by 2025.

Emami Agrotech has also commenced production of edible oils from its new plant at Kandla, Gujarat. It is a step towards making the company a key national player in the edible oil and food segment.