

Emami zeroes in on Andhra land to set up edible oil unit

ON THE TABLE



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FMCG major Emami Group seems to have put the expansion plans of its edible oil business on fast track. A recent entrant in the edible oil market, the company is close to acquiring some 20 acres of land in Andhra Pradesh to set up its second edible oil refinery unit.

Emami group director Aditya V Agarwal told ET: "We have almost finalised the site at Krishnapatnam in Andhra Pradesh and hope to close the deal soon. This apart, we have already sought necessary pollution approval from the state government for the same."

If the group manages to clinch the deal, the proposed refinery unit will produce 1,000 tonnes of

palm oil per day and another 200 tonnes of sunflower oil per day.

The company is also looking to set up a third unit at Gujarat. It has roped in consultants Mott MacDonald to help identify the port which would be a good fit for the proposed Gujarat unit. "The consultants have already submitted their preliminary report. The detailed feasibility report will be ready within a month," Mr Agarwal added.

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Incidentally, Emami Group forayed into the branded edible oil business sometime ago through group company Emami Biotech.

Though it was formed to undertake production of bio-diesel, the company will now concentrate more on producing edible oil. At present, the company's Haldia refinery in West Bengal produces 1,000 tonnes of palm oil per day and 600 tonnes of soya oil per day.

"If we succeed in setting up the two refineries within the scheduled deadline of 2010-11, the company will be able to clock a turnover of Rs 5,000 crore from the edible oil business over the next five years," Mr Agarwal said.

The company's 'Healthy and Tasty' brand is now available in West Bengal and Karnataka. Meanwhile, the company is also looking to foray into the food & beverages (F&B) sector in a big way.