

Emami goes for makeover, plans bigger health foray

Namrata Singh & Udit Prasanna Mukherjee | TNN

Kolkata: Emami, a brand most households are familiar with, is undergoing a makeover of sorts. The home-grown FMCG company, the product portfolio of which comprises both old traditional brands like Zandu and new-age brands like Fair and Handsome, is in the midst of giving shape to a new strategy based on the guiding principle of healthcare. It is also, simultaneously, strengthening its senior leadership team through an aggressive talent acquisition strategy.

Kolkata-based Emami, which lost out to Reckitt Benckiser in its race to acquire Paras three years back even though it was the highest bidder, may have reasons to believe it needs a change in perception. Given its size (Rs 1,800-crore turnover) and market capitalization, Emami is currently stacked below peer groups like Marico, Dabur and Godrej Consumer Products in analyst rankings. The company also struggles to find good marketing talent, given that most management graduates want to be based out of larger metropolitan cities.

In the face of such challenges, however, Emami has managed to bring on board a few senior executives from companies like Procter & Gamble and Unilever. This is being seen as a strong talent acquisition pitch by the com-



AIMING FOR A NEW LOOK

pany, which now appears to be displaying the attitude of a large multinational.

Among those who have joined is Chetan Gore, who was earlier marketing director, oral care, at P&G, Singapore. Gore has joined Emami as the CEO, international marketing division. K S Arunkumar, who was earlier with Hindustan Unilever (HUL), has joined Emami as president, IT. Over a year ago, Punita Kalra, who was also with HUL, joined Emami as CEO, research & innovation strategy, while C K Katiyar, who was formerly with Dabur, is the new CEO, healthcare (technical). Some of them have also been given the flexibility of operating partly out of Mumbai.

Harish Bijoor of Harish Bijoor Consults Inc believes if the talent poaching by Emami is part of a larger reorganization and culture change, it would augur well for the company. In the past, many family-oriented organizations have corporatized and professionalized their set-ups. Godrej did it and so did Marico when it started

off and brought in talent from across industries. "When family-run companies make such moves, people analyze such transitions whether or not it is being done with panache and with how much seriousness. If it is short-sighted, it doesn't work," said Bijoor.

Emami also harbours ambitions to take its business global. An international acquisition is something the company is yet to open its account with. Peer companies like Godrej and Dabur, on the other hand, have made concerted efforts in this direction. Industry analysts who track Emami closely reasoned that Emami's balance sheet was not strong enough to handle a global acquisition.

Promoter directors Aditya Agarwal and Harsha Vardhan Agarwal, however, believe Emami is now becoming bigger in size and scale. "We now have the capabilities to look beyond India in a more organized manner. We have thus made some senior level recruitments," said Harsha Agarwal.

Besides, growing the business on the health plank is something that clearly excites the Agarwals. The company has roped in Rishi Bhattacharya, a consultant from Netherlands, who was formerly employed with Unilever, to take the mandate forward. "We see a lot of potential in healthcare, which will get more entrenched as a trend in the next five years or so," said Agarwal.