

# Emami forays into new states to grow sales

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FMCG firm Emami is tapping more states — Gujarat, Chattisgarh and Karnataka — to expand sales in rural markets that account for around 40 per cent of its total revenues.

The company, which gets majority of its rural revenues from Uttar Pradesh, Bihar and West Bengal, is looking beyond these markets for its future growth.

“We have also started focusing on rural markets in Gujarat, Chattisgarh, Rajasthan, Punjab, Haryana, Karnataka and Tamil Nadu, Emami CEO — sales, supply chain & human capital, N Krishna Mohan said.

“More than 40 per cent of our revenues are currently contributed by the rural markets,” he added.

Mohan did not share, however, by how much this contribution is expected to increase when the company expands to the new states.

Emami had posted net sales of Rs 406.74 crore for the second quarter ended September 30, 2013 while its net profit stood at Rs 79.95 crore for the quarter.

Net sales of the company for the year ended March 31, 2013 stood at Rs 1,699.10 crore.

“Uttar Pradesh, Bihar, Jharkhand, Andhra Pradesh, West Bengal, Maharashtra and Madhya Pradesh are the most prominent rural markets for Emami,” Mohan said.

On the popular brands in the rural markets, he said Navratna and Boroplus are among the top in UP, Bihar, West Bengal and Madhya Pradesh.

“Zandu Balm and Menthoplus balm also have high rural sales in AP and Maharashtra apart from Navratna,” he added.



## Rural outlook

- More than 40 per cent of the firm's revenues are currently contributed by the rural markets
- Firm has started to focus on rural markets in Gujarat, Punjab, Tamil Nadu, Haryana
- Emami has also initiated various activities to create better consumer awareness

“Apart from its popular brands such as Navratna, Boroplus, Zandu Balm and Menthoplus balm, the company is also seeing traction on others such as Fair and Handsome and Vasocare in the rural markets over the last few years,” he added.

“The company continues to strengthen its marketing activities in rural and also its distributors,” Mohan said.

As parts of its plans to spur sales growth in rural areas, the Kolkata-based firm has initiated various activities including participation in popular fairs to create better consumer awareness and brand visibility.

The company has initiated marketing push at Bihar's Sonepur cattle fair for its Navratna Oil brand. BoroPlus Antiseptic Cream is also being pushed further in the rural markets.