

News monitored for: Emami Group

# 'We are looking for opportunities in startups, digital-first brands'

Suneera Tandon  
 suneera.t@livemint.com  
 NEW DELHI

**E**mami Ltd plans to aggressively grow its Zandu brand of healthcare products to exploit a covid-induced surge in demand. Harsha V. Agarwal, director, Emami, said in an interview that the maker of BoroPlus cream, Keshi King hair oil and Zandu chyawanprash has also rolled out several digital-first brands and is also looking at investment opportunities in such brands. Edited excerpts:

**Are your personal care and male grooming categories back to pre-covid levels?**

Many of our categories are more than their pre-pandemic levels. Some discretionary categories such as men's grooming are still to come to that level. But we are seeing improvement there as well. Some of our categories got impacted due to the seasonality. Navratna, for example, is a summer brand, and peak of covid waves in both the years were during the summer months. But in most categories, we see demand has surpassed pre-pandemic levels.

**Do you see consumers tighten household budgets over the next six months?**  
 Obviously, there has been inflation in some food items.

From a household perspective, one needs to manage the overall budget and food is an essential item. So, we see more impact in discretionary spending. Now, where inflation goes from here will be crucial. The only good point is that a large percentage of our overall business is healthcare, which is essential in nature.

**FMCG companies are experiencing high commodity inflation. Is that cycle over for Emami?**

There has been inflation overall, but we don't see a big upside in prices going forward. But, yes, costs of a few items, especially packing materials,



have gone up. We don't see them softening in the near future. We have been diligent in managing our margins and the profitability level. We have been taking several initiatives right from cost-reduction to

buying more effectively, and, whenever needed, some price increases also have been taken. So, overall, we probably don't see any challenge.

**There is increased competition in healthcare and**

**immunity segment as demand increases. Will you capitalize on this demand?**

We have done quite well in the overall healthcare segment. Last year, our healthcare portfolio (mainly under brand Zandu) grew over 40%. Also, we have introduced many digital-first products (under Zandu). We want to pursue aggressive launches for the next one-two years. We see it as one of our strong growth engines.

**Harsha V. Agarwal**  
 Director, Emami

**Will the growth trend in healthcare products moderate as covid-19 abates?**

Overall, health consciousness among consumers has gone up. In categories such as immunity, if you ask me whether sales will remain at the same level as was seen during the pandemic, I will say 'No'. But will it be more than what it was pre-pandemic, I would say 'Yes'. I see many other categories also developing as consumers are

taking interest in their overall health and looking for new solutions, products, and formats.

**Last year, the company increased its stake in The Man Company. Will you acquire or invest in such new-age brands?**

Yes, we are looking for opportunities in the startup area and in digital-first brands, where, as a company, we can invest and have a strategic presence. The direct-to-consumer space is very exciting. From that perspective, it is a mix of initiatives we are taking, right from creating digital-first products under existing brands, to acquiring or investing in other digital-first brands.