

Emami Hires Three Consultants to Hone Up Business

McKinsey to devise strategy for sales, Aon Hewitt and E&Y to help management

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Kolkata: Emami Ltd has appointed three top consultancy firms to shape up its business and professionalise the management, with an aim to double the pace of revenue growth and improve margins over the next five years.

The company has appointed McKinsey & Company to devise strategies to improve distribution, especially in urban markets and modern trade, automate sales workforce with mobile devices, expand internationally and improve efficiency by boosting earnings before interest, taxes, depreciation and amortisation (EBITDA).

Emami has also appointed Aon Hewitt and E&Y to professionalise the management, including attracting and retaining top talent and completely re-hauling the HR system.

Emami Director Harsha V Agarwal said that since the company has reached a tipping point, it was felt that consultancies should prepare the organisation for the next phase. "We have clocked a CAGR of 16-17% for the last five years which we want to double and improve our EBITDA so that the additional profit can be ploughed back for more aggressive marketing and sales," he said.

Emami has in the last one

year hired a battery of senior professionals to boost its management team and has expedited hiring from premier campuses. Agarwal further said the company in the next fiscal would focus on men's grooming by extending the HE brand of deodorants and Fair & Handsome brand of fairness cream into newer segments. It will relaunch the recently acquired She brand of women hygiene products in the first quarter of 2015-16.

In 2014-15, Emami made two acquisitions — a majority stake in Australian organic personal care product maker Fravin and women hygiene brand She. Both the deals are estimated at ₹40 crore each. Agarwal, however, said the company is expecting to close a bigger deal next fiscal which will add to scale.

"We are evaluating quite a few targets.

Some such potential deals recently fell through due to high valuation by the owners," said Agarwal. He said the company's planned foray into the food space is yet to be finalised and a team is currently evaluating whether at all to make an entry and potential segments.



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