

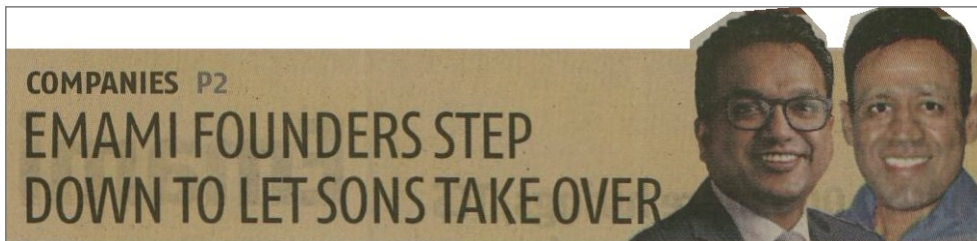
Business Standard

Page No: 1
Page Name: Front Page
Size: 444 sq. cm
AVE: INR 232,045

Type: Newspaper
Language: English
Circulation: 18,820
Frequency: Daily

Mumbai - Feb 04, 2022

News monitored for: Emami Group



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Emami founders make way to let sons take over

Mohan Goenka and Harsha V Agarwal will helm the organisation from Apr 1

ISHITA AYAN DUTT
Kolkata, 3 February

Fast-moving consumer goods (FMCG) firm Emami on Thursday unveiled a succession plan with the founders donning the “mentor’s” hat and the next generation taking the driver’s seat.

At a board meeting held on Thursday, founders R S Agarwal and R S Goenka expressed their desire to step down from their current executive positions. Agarwal was chairman and Goenka a director on the company’s board.

In a statement, the company said the board unanimously decided to appoint Goenka as non-executive chairman while re-designating Agarwal as chairman emeritus effective from April 1, 2022. The founders will not accept any emoluments for their new positions, the company added.

The decision to restructure the board, Emami said, was part of succession planning of the FMCG business of the group and the board simultaneously re-designated Mohan Goenka and Harsha V Agarwal as vice chairman-cum-whole time director and vice chairman-cum-managing director, respectively, to steer the company, subject to shareholder approval.

Mohan Goenka is the eldest son of R S Goenka and Harsha Agarwal is the younger son of R S Agarwal.

The move comes ahead of the Securities and Exchange Board of India (Sebi) regulation that mandates separating the roles of chairperson and chief executive officer by April 2022. Also, those in the roles cannot be related.

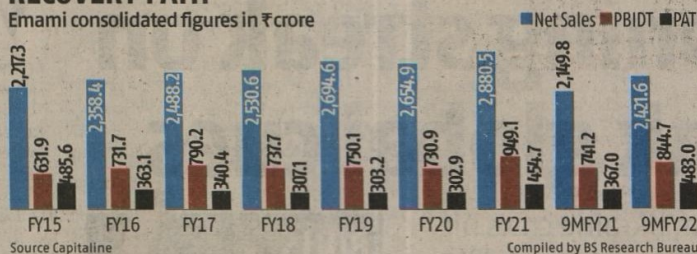
Analysts read it as a routine development of succession planning as Harsha Agarwal and Mohan Goenka have been in key roles for a while now. In 2008, the duo led the acquisition of Zandu Pharmaceuticals.

Further, Harsha Agarwal went on to add Kesh King to Emami’s portfolio in 2015; Goenka is best known for launching the Fair & Handsome range — a category creator.

Commenting on the re-designation, R S Agarwal and R S Goenka said that Mohan Goenka and Harsha V Agarwal have been at the forefront of running and growing the organisation for over two decades and their ascension is the formal recognition of their contribution.

RECOVERY PATH

Emami consolidated figures in ₹ crore



Source Capitaline

Compiled by BS Research Bureau



Mohan Goenka (R) is the eldest son of R S Goenka and Harsha Agarwal (L) is the younger son of R S Agarwal

“We are confident that our next generation leaders would uphold the legacy and values of Emami going forward,” they said.

The founders — who started the business in 1974 — also said that “Emami has been the fruit of our love and passion of creating an indigenous organisation with a difference” and thanked all stakeholders for their unstinted support and partnership over the years.

In a joint statement, Mohan Goenka and Harsha V Agarwal thanked the founders and the board for reposing their faith in them. “We both have been guided by our founders’ vision and values and the strong bond of friendship that they shared. It is this strong bond and discipline coupled with a humble yet result driven approach that have been inculcated in our system right from a very young age,” they said.

The company also said that the Emami board acceded to Sushil K Goenka’s (youngest brother of R S Goenka) desire to step down from his current position as the managing director as part of the transition and has re-appointed him as a whole-time director effective April 1, 2022.

Apart from FMCG, the Emami group has diverse business interests that are led by different members of the Goenka and Agarwal families. Among the other com-



panies in the portfolio are Emami Paper Mills, Emami Agrotech, and AMRI Hospitals.

Aditya Agarwal, R S Agarwal’s eldest son, is the executive chairman and Manish Goenka, younger son of R S Goenka, a director in Emami Paper Mills. The agrotech and healthcare businesses are professionally run and managed but under the broad supervision of Aditya Agarwal and Manish Goenka.