



Emami Biotech plans Rs 400 crore investment in Ethiopia

Kolkata, August 2009: Emami Biotech Ltd, a group company of the Rs 2200 crore Emami Group, has embarked on a Rs 400 crore plantation project in the State of Oromia in Ethiopia.

The company will take up plantation of bio-fuel crops (jatropha) and other edible and non-edible oil seeds on 100,000 acres of land which has been allotted to Emami Biotech by Oromia Investment Commission. Emami Biotech has already possessed 27,500 acres of land and work has begun on it this monsoon involving a capital outlay of about \$25 million or about Rs 120 crore.

The project also envisages setting up an extraction plant and the total cost is being estimated at about Rs 400 crore over a span of five-six years. While Emami Biotech will bear 30% of the project cost, the remaining funds will be mobilised from banks and financial institutions.

The commercial plantation work has begun on land which has been handed over to the company by Oromia Investment Commission, the nodal agency in the State of Oromia for allotting and distributing land for industrial and agricultural purposes. The Commission has allotted 100,000 acres of land for the Emami Biotech's project. The land is being offered to Emami Biotech on a 45 year renewable lease. Emami Biotech had engaged Mott McDonald for conducting a feasibility study for the project.

Emami has chosen Ethiopia for investment because of availability of labour, contiguous land, congenial business environment and stable law and order situation. Besides catering to our domestic needs, the Ethiopian project has a huge potential for the global export market.

Once complete the project will be able churn out 100,000 tonnes of crude bio-fuel/edible oil per annum. While the bio-fuel will be exported to India for producing bio-diesel, the edible oil produced in Ethiopia will be used for captive consumption.

The bond between Ethiopia and Emami Group has become even deeper with Kolkata, the City of Joy, adding one more name to its avowed list of Consular Corps. Betting big on potential of the agro-based and leather segments of West Bengal as well as the eastern and north eastern states, the Federal Republic of Ethiopia has decided to open its Consular Office in Kolkata and appointed Mr Aditya V Agarwal, Director, Emami Group of Companies, as Honorary Ethiopian Consul in the city.

The "installation" (as it is popularly called in Diplomatic parlance) of Mr Agarwal as Ethiopian Consul is being done by Her Excellency, Mrs Gennet Zewide, the Ethiopian Ambassador in India. The President of the State of Oromia, Ethiopia, His Excellency, Mr Abadulla Gameda and Mr Mehreteab Mulugeta, Minister Counsellor (II), Business and Economy, Embassy of the Federal Republic of Ethiopia, New Delhi, were also present.

The importance attached by the State of Oromia in particular and the Ethiopian Government in general to Emami Biotech's investment and the scope to garner further business from the East, is also evident by the presence of Mr Yassin Ismael Hussen, Commissioner, Oromia Investment Commission, Mr Dribu Jemal, Head, Bureau of Land and Environment Protection, Ms Nasise Challi, Director, Directorate of Protocol and Public Relations of Oromia President's Office in today's programme.