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,769 crore Raised by Mahanagar Telecom Nigam Ltd through bonds during this fiscal

Company eyes acquisitions in seeds and consumer products space, forays into staple foods

Tata Chem eyes ₹500 cr buyouts

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Kolkata: Tata Chemicals Ltd, a major player in commodity businesses like soda ash and fertilisers, is eyeing acquisitions in consumer food business including agri-seeds, and a foray into staple food business as part of its new thrust areas of food and wellness identified by group chairman Cyrus Mistry.

"In wellness and nutritional product segment if we find opportunities to grow through acquisitions, we will do that. To specify, there are two areas where we would look for acquisitions: seeds particularly in cotton and vegetables; the second would be in consumer products space," P K Ghose, executive director and CFO, Tata Chemicals, said.

Ghose clarified that there is nothing on the table as yet and acquisitions, if they happen, would be of smaller-ticket size of around Rs 500 crore.


Cyrus Mistry

After the branded salt play, Tata Chemicals has recently ventured into pulses under iSakthi brand, while it is currently test-marketing masalas like chilli, turmeric and coriander.

The next big play would be staple food, said managing director R Mukundan.

"After pulses, we are also looking at other staples and I don't want to comment which one to come first," managing director R Mukundan said on the sidelines of a book launch, Salt of the Earth - The Story of Tata Chemicals.

Both pulses and staples would be significant volume drivers in the coming years.

"A consumer buys eight times the value of pulses than salt. The market is very large and we believe we can grow the business to substantial size in future. We have done Rs 100 crore turnover in first six months and are confident of touching Rs 250 crore by the year end. The business has been growing by 50-60% year on year. The target is to grow to Rs 1,000 crore in 2-3 years," Mukundan said.

In this, Tata Chemicals would be leveraging the distribution reach of its flagship consumer brand Tata Salt, which touches 6 lakh stores.

"Our pulses reach out to 70,000 stores, and would reach out to 1 lakh stores by the end of the year. In contrast, Tata Salt touches 6 lakh stores. So, we can at least grow the business 10 times," he said.

Tata Chemicals source these pulses from farmers in Maharashtra, Madhya Pradesh, Karnataka and Tamil Nadu, where it has signed memoranda of understanding with the state governments to help farmers raise yield.

Out of Tata Chemicals's consolidated revenues of Rs 16,000 crore in the last fiscal, FMCG accounted Rs 1,000 crore. It consists of businesses like pulses, lentils, spices, Swach brand of water purifiers apart from salt.

"Over the next four years we are looking at around Rs 4,000 crore from the consumer goods business," Ghose said.

Salt to pulses

For staples and pulses, Tata Chemicals plans to leverage the distribution reach of its flagship consumer brand Tata Salt, which touches 6 lakh stores

Out of Tata Chemicals's consolidated revenues of Rs 16,000 crore in the last fiscal, FMCG accounted Rs 1,000 crore

The company is eyeing Rs 4,000 crore turnover from the consumer goods business over the next four years