

# 'Marico on track to hit ₹10,000-cr revenue next year'

Company is getting future ready with premium healthcare products, food, digitisation, says its Managing Director

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FMCG major Marico is set to hit the ₹10,000-crore revenue in the next fiscal riding on the growth it is witnessing in some of its new bets, including premium personal care range, the foods category and digital brands.

Marico's consolidated topline crossed ₹8,000 crore for the first time in FY21, led by strong rural growth and e-commerce. The company, in 2016, had set a target of hitting the ₹10,000 crore mark by 2020-21 but the economic slowdown brought down the company's growth rate to single digits. Over the

past two years, Marico, led by Managing Director and CEO Saugata Gupta, adopted a multi-pronged strategy to adapt to the changing business environment.

"The big play in foods is one of the big shifts for us. We were dabbling in niche categories over the last four-five years. Now we have entered categories wherever there is a single incumbent with a high market-share, and where we can make a difference and scale it up. So we went into honey, we launched Chyawanprash, soya nuggets and now we have entered noodles. These categories will hit ₹500-crore revenue this year and we are confident of getting



Saugata Gupta, CEO and Managing Director, Marico

to ₹850- ₹1,000 crore by 2024," Gupta told *BusinessLine*.

Digitisation and simplification of processes are the other two big themes being driven by Gupta at Marico.

## 'Three new bets'

While consumer behaviour has increasingly moved towards online buying, Marico has invested ahead of the curve in automation and adopting digital plat-

forms when it comes to fulfilling customer needs.

For Marico, Parachute Coconut Oil and Saffola edible oil have been the core products so far. But Gupta wants to make the company future ready with three new bets - premium health care products, food and digitisation. "While we continue to grow the core, we are excited about our diversification," says Gupta.

## 'Investing in start-ups'

One of the things Marico is doing to stay on course is to invest in start-ups to learn about new business models. For example, it picked up a 100 per cent stake in the Ahmedabad-based start-up, Beardo, which plays in the mass-premium to premium men's grooming category. In addition, Marico has launched its own brands including vegan

gourmet products under the brand name Coco Soul and healthy gourmet products under FITTIFY.

"Between Beardo and some of our organic brands, we hope to have at least three ₹100-crore brands by 2024. This plus the food business will change the profile of Marico to make it future ready for the years to come," Gupta said.

Thankfully, for Gupta, the economy is also beginning to recover. "The worst is behind us. The vaccination is picking up so even if the Covid third wave happens my guess is that it will be mild. The Government is also making schemes that will bring long term investments into manufacturing whether it is in electronics or auto components. This is crucial to leverage the demographic dividend," he said.