



## **Indian edible oil FMCG major K S Oils to drive global expansion from Singapore;** Awarded International Headquarters status by Singapore Economic Development Board

- **First Indian company from the agri-sector to receive this distinction**
- **Targets annual revenue of USD 1 billion by 2014 from Singapore-based subsidiary, K S Natural Resources which will be the nucleus of K S Oils' global business operations**
- **Strategic partnership with National University of Singapore to facilitate R&D projects across the company's value chain**
- **International foray, part of K S Oils' strategy to become a fully integrated edible oil company having presence across the entire value chain – from edible oil brands to owning plantations**

**Singapore, April 21, 2009: K S Oils**, one of India's leading integrated edible oil FMCG company announced today that it will drive its global expansion through **K S Natural Resources (KSNR)** its fully-owned subsidiary in Singapore as **part of the company's strategy to become a fully integrated edible oil company having capabilities across the entire value chain**. KSNR has been awarded the International Headquarters (IHQ) status by the **Singapore Economic Development Board (EDB)** and is the first Indian company from the agri-sector to have been conferred this status.

K S Oils' international investments and acquisitions will be led through KSNR, and Singapore will be the centre of its global operations. The company aims to generate annual revenue of USD 1 billion by the year 2014 through KSNR. The current foray into creating agri-assets like palm plantations in Indonesia and Malaysia and future investments in green field and brown field agri-assets would be channelled through Singapore. KSNR aims to become a leading agri-commodity player with interests in palm plantations, oil mills, agri-commodity trading, export and import of edible oils and other value added areas like logistics, port facilities and ocean carriers.

Significantly this international expansion is part of K S Oil's ongoing strategy to becoming a fully-integrated edible oil company having presence across the entire value chain – from edible oils to owning plantations.

**Mr. Sanjay Agarwal, Managing Director, K S Oils** said, "We want to replicate our success in India first in Asia and then across the globe. With agri-assets and a strong backend supply chain both in India and abroad, we aim to become a leader in one of the key global edible oil market – India. Over the past 12 months we have acquired over 20,000 hectares of palm plantation land in Indonesia and Malaysia and set up our international base in Singapore – both of which are a proof of our commitment and passion for becoming a true MNC agri-commodity player from Asia. I trust Singapore will be our able partner in this journey. "

K S Oils chose Singapore as its second home because of its strategic location, excellent connectivity, talented pool of professionals and world class reputation as a trading, financial and shipping hub. KSNR will drive its strategic growth internationally through acquisitions, diversification and integration of agri-assets. Leveraging on Singapore's global resource pool, KSNR aims to create a key team of highly talented professionals to ensure international levels of governance, transparency, growth and risk management.

**Mr. Quek Swee Kuan, Assistant Managing Director, EDB**, who was present on the occasion said, "We are delighted that K S Oils has chosen Singapore as its home outside of India. Singapore provides an excellent base for Asian companies like K S Oils to drive their expansion plans and seek out international growth opportunities."

"With the set up of its International Headquarters in Singapore, K S Oils joins the cluster of companies in the agri-commodities industry who hub their strategic business functions in Singapore. We are today a leading trading hub



3 Church Street # 08-01, Samsung Hub  
Singapore 049483  
Ph. : +65 6536 5355, 6230 9527  
Fax : +65 6536 1360

in Asia for commodities and with close proximity to the region's largest producers and consumers of several commodities, companies in the commodities/natural resources business are finding it attractive to choose Singapore as the epicentre of their operations."

K S Oils has also unveiled KSNR's year-old R&D tie-up with the National University of Singapore (NUS). Being an agri-player, K S Oils is committed towards sustainable and green development and hence has geared its research efforts towards the same. Environmental safeguard, carbon footprint reduction, ecological balance, use of alternate/ renewable energy sources and energy efficiency are the key focus areas of the tie-up. With its state-of-the-art laboratory and some of the world's best scientific talent, NUS is helping KSNR develop sustainable palm plantations in South East Asia and create manufacturing efficiencies in its plants in India.

Commenting on the tie up, Professor Arun Sadashiv Mujumdar, Centre Director, M3TC, said, "This past year we have successfully completed the first stage of work with K S Natural Resources, which involved extensive mineral and nutrient analyses of plantation sites in order to devise an optimal plan to achieve accelerated crop growth. By identifying mineral deficiencies, fertiliser costs can also be saved by focusing only on those of need. We are currently conducting the second phase of studies of additional mineral analyses on potential future plantation sites for KSNR. Through a common framework, the third phase of collaboration is targeted on optimising KSNR's production facilities by utilising the centre's developed mathematical modelling capabilities. By using such mathematical modelling techniques we intend to increase plant energy efficiencies in order to lower KSNR's overall operating costs."

Today, India is one of the largest consumers of edible oil, and the highest consumed edible oil in India is palm oil. With a domestic production gap of over 5-6 million tonnes (approx) annually, import of edible oil is imperative. Edible oil companies like K S Oils are thus venturing abroad to create assured supplies at value prices. With two leading edible oil brands 'Kalash' and 'Double Sher' driving retail-led margins and hence overall profits, the cash rich company is utilizing the same to create agri-assets across the globe. The Indonesian and Malaysian oil palm foray will assure supply of crude palm oil to India.

K S Oils has the distinction of being India's first edible oil company to acquire palm plantations in Indonesia and Malaysia. As the first phase of its investments, the company has acquired 20,000 hectares of palm plantation land in Indonesia. An estimated investment of about INR 3,700 million will be spread across three years. K S Oils plans to supply 80,000 tonne of palm oil to its manufacturing and refining plants in India from its plantations in Indonesia. These acquisitions are a part of K S Oils' strategy to secure its raw material supplies and insulate itself against price fluctuations. The acquisitions will also strengthen K S Oils' position in the Indian palm oil segment.

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3 Church Street # 08-01, Samsung Hub  
Singapore 049483  
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Fax : +65 6536 1360

**About K S Oils Limited:**

K S Oils is India's leading integrated edible oil led FMCG company with presence in mustard, refined and hydrogenated oils. The company is headquartered at Morena in Madhya Pradesh, India. K S Oils is the largest processor of mustard seeds in India. Its brands, 'Kalash', 'Double Sher', 'K S Gold' and 'K S Gold Plus' are leaders in their respective segments. The company's promoters, the Garg family have a history of over 100 years in commodities industry. Today, the company is managed by a team of talented professionals with rich industry experience. K S Oils has an impeccable performance record and is amongst the top five edible oil companies in India. It is listed on the Bombay Stock Exchange, National Stock Exchange and SGX.

[www.ksoils.com](http://www.ksoils.com)

**About Singapore Economic Development Board (SEBD):**

The Economic Development Board (EDB) is the lead government agency responsible for planning and executing economic strategies for enhancing Singapore's position as a global hub for business and investment. EDB is the one-stop agency that facilitates and supports local and foreign investors in both manufacturing and services sectors as they seek more value-creating operations, higher sustainable returns and new business opportunities.

Singapore commands global leadership positions in many areas. EDB is expanding and extending existing industry clusters, as well as exploring new growth areas to create good jobs and secure Singapore's future competitiveness. Our emphasis is on capital-intensive, knowledge-intensive and innovation-intensive activities. EDB is constantly identifying new business areas to develop both in terms of new technologies as well as new consumer demands, such as 'clean and green' focus - environmental technologies, urban solutions and clean energy, lifestyle, healthcare and wellness. EDB is also expanding its geographical reach in the Middle East, in addition to North America, Europe, Japan, China, India and ASEAN.

[www.sedb.com](http://www.sedb.com)

**About National University of Singapore (NUS):**

A leading global university centred in Asia, the National University of Singapore (NUS) is Singapore's flagship university which offers a global approach to education and research, with a focus on Asian perspectives and expertise.

NUS has 14 faculties and schools across three campuses. Over 30,000 students from 100 countries enrich the community with their diverse social and cultural perspectives. Well-known for its research strengths in engineering, life sciences and biomedicine, social sciences and natural sciences, NUS shares a close affiliation with 22 university-level, 16 national-level and more than 80 faculty-based research institutes and centres.

[www.nus.edu.sg](http://www.nus.edu.sg)

**About Minerals, Metals and Materials Technology Centre (M3TC):**

M3TC is a R&D Centre established in the Faculty of Engineering, National University of Singapore, with the support from Singapore Economic Development Board (EDB). This Centre is aimed at responding to the needs of industry by bringing together the multi-disciplinary expertise of various engineering faculty members to address the current and future R&D and manpower training needs in the minerals, metals and materials industrial sectors.

One of the key focuses of M3TC is to develop close working relationships with diverse industrial sectors, help attract high level R&D set-ups and companies venturing into high value added activities.

Invariably, this will involve tie-ups with major research and academic institutions to enhance synergy both in hardware and personnel so as to provide world-class technical support and consultation services. M3TC plans to provide professional development courses, organise seminars, workshops and conferences for practicing engineers and technologists related to minerals, metals and materials.

[www.eng.nus.edu.sg/m3tc](http://www.eng.nus.edu.sg/m3tc)