

# Indian agri commodity firm gets IHQ status

By **ZHANG YI TING**

INDIAN edible oil company K S Oils said yesterday it will drive global expansion through K S Natural Resources (KSNR), its fully owned subsidiary in Singapore.

K S Oils aims to generate annual revenue of US\$1 billion by 2014 through KSNR, which is listed on the Singapore Exchange as a Global Depository Receipt.

Coinciding with the announcement, KSNR was awarded International Headquarters status by the Economic Development Board - a first for an Indian agri commodity company.

The Singapore HQ will house 30-40 staff, said K S Oils managing director Sanjay Agarwal.

EDB assistant managing director Quek Swee Kuan said: 'We are delighted K S Oils has chosen Singapore as its home outside India to drive and manage international expansion.'

Speaking to BT later, he said the move reflects Singapore's conducive environment for HQ activities, ranging from management and finance to trading and logistics.

This was echoed by Mr Agarwal, who cited Singapore's strategic location, strong business networks, diverse financial services and network of double taxation avoidance and free trade agreements as key reasons why K S Oils chose to invest here.

Besides Singapore, K S Oils has also invested elsewhere in the region.

It has acquired 20,000 hectares of palm plantations in Indonesia and Malaysia. US\$75 million will be invested in palm plantations and oil mills over the next three-and-a-half years. US\$10 million has been invested so far.

Collectively, the plantations in Indonesia and Malaysia will meet 40 per cent of K S Oils' demand.

K S Oils also has an ongoing research and development partnership with the National University of Singapore (NUS).

Arun S Mujumdar, director of the minerals, metals and materials technology centre at NUS, told BT the year-old tie up involves mineral and nutrient analysis of plantation sites, as well as mathematical modelling to increase yield and optimise production at lower costs.