



Samir Somaiya,
Chairman & Managing Director,
Godavari Biorefineries Ltd.

A STORY SWEETENED OVER THE YEARS

Godavari is a story sweetened over 77 years and stands on the pillars of three generations. From sugar production to over 20 different products from sugar cane, the company has come a long way.

BY DEBARATI DAS

Almost eight decades back, a young man, looking for work, met a few Marwari traders. They asked him if he could help them trade sugar in Maharashtra. He said “yes” and started trading. Slowly and eventually, he entered into the manufacturing of sugar and in 1939, Godavari Sugar Mills was established. Today, Godavari is a story sweetened over 77 years and stands on the pillars of three generations. Since its inception, Godavari Sugar Mills donned upon numerous avatars- from sugar production and sugarcane farming to ethanol distillation in the 1960s and later it entered into the manufacturing of ethanol based chemicals by the early 70s.

More recently, the company reinvented itself as Godavari Bio-Refineries and added value to agriculture feedstock by not just making sugar, but also, bio fuel, renewable electricity and a range of commodity and specialty chemicals.

Milestone of change

Staying ahead of times, Godavari, in its very early phase decided to think beyond the borders and work towards international trade. Change in government policies in 1992 created a challenging environment for the company. Godavari decided to confront the challenge and reinvent itself.

“During the time of liberalisation, the government lowered the import duties into India. They also removed the controlled price of molasses, which was the raw material for us. Taken together, the government regulations changed as far the local molasses market was concerned and with the lowering of duties on chemicals, we were exposed to international competition,” said Samir Somaiya, chairman & managing director, Godavari Biorefineries Ltd.

“These were the two significant changes in the external environment which made us think that as we prepare ourselves for the future, we want to grow in a way so that we can compete with the global competition. This meant that our products need to be of exportable quality and we need to be knowledge driven,” continued the third generation entrepreneur of the company.

And thus, Godavari steered its organisational direction towards strengthening its research knowhow. “In those days, the 90s, research and development was just a quality control measure. We however decided to start developing our own knowhow and become a company that would be at the cutting edge of research,” said Somaiya.

Today, Godavari Biorefineries boasts of its deep rooted research and development

practices for enabling the company to become one of the largest sugar producers in India in single location and one of the leading manufacturer of ethanol, ethanol based organic chemicals, renewable power & bio fertilizers.

“As a fresh chemical engineering graduate, the first assignment that my father gave to me was to develop a department for research that can make products to face international competition and a department that will try to strengthen company’s exports. My skills were put to test immediately and the team that I built then is still there today,” recalled Somaiya.

The company currently has a team of over 30 persistent scientists working towards making new products and innovation.

Manufacturing Excellence

The company has two large manufacturing locations in Maharashtra and Karnataka. Sugarcane as a feedstock is converted to sugar, ethanol and electricity. Ethanol is then converted to a range of commodity solvents and specialty chemicals. The company currently manufactures about 20 products from sugarcane and is now working on making products from Bagasse other than electricity.

The company also manufactures natural waxes and compost and has also recently entered the branded segment with sugar, salt and turmeric under the brand name Jivana. “Our chemical products go into a

wide variety of fields such as printing inks, intermediates of pharmaceutical, paints, cosmetics, frothers, etc. This all comes from a knowledge driven approach to business,” said Somaiya.

Solutions for the industry

- Flavours and Fragrances
- Mining: Replacing MIBC as a frother due to its carcinogenic property
- Plasticizers: Working on replacing carcinogenic phthalates
- Cosmetics: Making natural skin-friendly emollients
- Renewable Power: Using sugarcane as feedstock to make renewable energy via Bagasse.
- Inks & Coatings: Using Green and renewable solvents

Quality Measures

An organisation’s credibility comes from its quality. Godavari Biorefineries has ingrained quality in its DNA. “Quality is not just one thing but needs to be looked at as a whole in terms of product quality, process quality, the quality of the facility and the quality of the relationship that the organisation has with the people it works within the company and outside in the community,” said Somaiya.

Apart from a combination of certifications, the company believes in improving quality

and productivity from the base level. “We continuously work with our farmers to see how their yield can be improved, ensure their soil is healthier and employ sustainable practices to get higher and good quality yields while improving the farmer’s productivity,” he added.

Sustainability Quotient

The company has been striving to reach sustainability in every aspect of production and functioning. Their work towards water conservations and management and their recent endeavour to reduce water consumption in the facility by half, got them recognition from ICC and FICCI. In a time where every global organisation is striving to achieve high sustainability in their operations, interestingly at Godavari, more than 65% of the inputs come from renewable resources already. “For more sustainability, we are now focusing on the new products and are trying to make them from renewable resources as well. We are also trying to see how we can make our farmers more sustainable in terms of inputs they use in their farm,” explained Somaiya. With various collaborations with agricultural institutions, research organisations, and experts along with farmer education, awareness and participation, the company has been constantly trying to achieve more productivity with less land, chemicals, water and other natural resources are develop solutions to ensure sustainability of agriculture.



Power Plant

Godavari Biorefineries Ltd, [Distillery Unit] Sameerwadi



Growing Together

An organisation is built by its employees. Moving ahead with over 1,500 people employed by the organisation, Mr. Somaiya believes in going beyond the ordinary. The motto - Earn with a 100 hands and give back with 1,000, is just one way in which company believes in paying back its debt to the society.

“A combination of various factors culminates into making us a company which constantly works towards productivity enhancement. In this process we also try to

do a whole social transformation with us. And we have been doing this way before ‘social responsibility’ became a buzz word,” said Somaiya.

Future outlook

The company recently launched three products in the last two years and has over five to seven products in the pipeline to be commissioned in the next 2 to 3 years. These products also have a stream of expansion plans lined up. “We try to make transformation of biomass and this transformation can be chemical, physical,

biological or agricultural. Our focus is on expansion of the existing business and introduction of new product lines,” said Somaiya.

The company has a current turnover of over Rs 1,365 crores where over 35 percent of turnover comes from export. These are numbers that quantify a business.

However, it is not the number that is generated in business but the number of lives that are touched that matters more. And the number of lives that Godavari continues to touch is an endless journey.

