

Godavari Biorefineries raises Rs 90 crore in equity

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Godavari Biorefineries raises Rs 90 crore from Mandala Capital



Godavari Biorefineries, one of India's sustainable manufacturers of foods, biofuels, specialty chemicals, power and related products using sugarcane as the primary feedstock, announced that it has raised Rs 90 crore (\$15 million) in equity, from funds managed by Mandala Capital.

In pursuit of its vision to increase the current level of extracted value, Godavari has been investing heavily in innovation, research and collaboration in the production of sugar, power and ethanol and in the manufacture of value added, complex chemicals derived from ethanol as well as the waste products of the sugar refining process.

The funds invested by Mandala Capital will be used for phase I of this strategy, which involves a new manufacturing plant for specialty chemicals, an increased capacity for ethanol production, debottlenecking of existing plants and strengthening the company's utility infrastructure.

It will also fund an expanded facility for R&D. Godavari expects a turnover exceeding Rs 1,200 crores for the year ended March 2016.

Mr Samir Somaiya, chairman, Godavari Biorefineries, said, "...For us, innovation in green chemistry is a source of growth and expansion for the company as well as our commitment to the triple bottom line of social, ecological and financial gain."

Godavari Biorefineries, a member of the Somaiya Group, was established in 1939 and is one of the leading companies in the Indian sugar industry.

It has sugar, ethanol, power and chemical plants in Karnataka and Maharashtra.

Mandala Capital manages private equity funds that invest in companies focused on the agribusiness sector in the Indian subcontinent.

Mr Uday Garg, CEO, Mandala Capital, said, "We have followed Godavari for several years and witnessed firsthand the transformation of the company from a traditional sugar business into an integrated bio refinery....."