

Advanta awaits a new dawn with Sunsat

The project to develop Nutrisun to complete by 2009

Satish John
Mumbai

In distant Argentina, a 15-year-old research project (Sunsat) by Advanta is nearing completion. The blockbuster product, Nutrisun, will accrue to its Indian parent Advanta, a seeds company owned and controlled by the Shroffs of United Phosphorus.

Confirming this, Ram Kaundinya, CEO of Advanta told *DNA Money*: "We are working on Sunsat — healthy sunflower oil project. The brand Nutrisun is slated to be launched by 2009."

What's ingenious about Advanta's project is that the company is doing pioneering work on sunflower seeds. Nutrisun is based on stearic acid that



helps maintain edible oil in solid format at room temperatures.

Other companies are either working on soyabean or canola, putting Advanta at an advantageous position.

This is because soyabean oil and other edible oil compositions have to be hydrogenated to retain a solid composition.

Thus they lose the healthy oil tag, Kaundinya said.

Global food majors like Nestle and Unilever are keenly watching the progress of the research efforts as the product could be used for chocolates and edible oil, etc.

As FMCG majors shift to healthy oil concepts, Nutrisun hopes to peg its virtues to cater

Blockbuster product

Nutrisun is based on stearic acid that helps maintain edible oil in solid format at room temperatures

While vegetable oils like sunflower, soyabeans and canola are cholesterol-lowering unsaturated fatty acids, they are liquid at room temperature which prevents their direct application in edible food as they can turn rancid very quickly

to those health concerns.

While vegetable oils like sunflower, soyabeans and canola are cholesterol-lowering unsaturated fatty acids, these edible vegetable oils are liquid at room temperature, which prevents direct application in edible food as they can turn rancid very quickly.

Kaundinya operates from

Hyderabad. Advanta is currently in the process of shifting its research wing based in Australia to Hyderabad, a hub for pharmaceutical research.

This will help the company to save costs. Advanta has another research and development facility in Argentina.

Advanta hopes that Nutrisun will be used as a critical ingredient for 800,000 tonnes of edible oil over the next 5-6 years. "People are waiting for this to be introduced," he said.

Advanta's royalties would roughly account from 5% to 10% of \$900 million annually, Kaundinya estimates.

Thus Advanta through Nutrisun alone could earn royalties not less than \$40-\$80 million.

According to Kaundinya, Nutrisun could earn about 5% from edible oil manufacturers. It could earn as much as 10% when used in costlier food items such as chocolates where it replaces cocoa butter equivalent,



lents, etc.

Kaundinya, who served in Hoechst's Agro division and Cynamid, later joined Emergent Genetics. He is now formulating Advanta's strategy as it takes on giants such as Monsanto on their own turf.

Advanta has 130 scientists in its laboratories. While their Argentina hub works on molecular quick breeding technologies for various crops, it is transferring its molecular marker laboratories from Australia to Hyderabad.