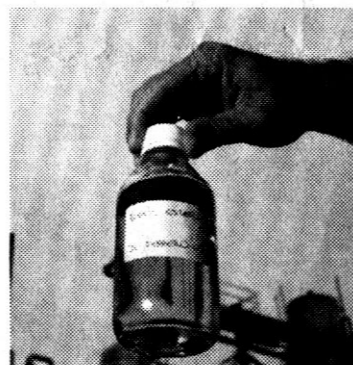


## Reliance arm to reap big gains from biodiesel



A bottle of biodiesel. Reliance Life Sciences plans to set up crushing and extraction facilities for producing over one lakh tonnes of biofuels a year

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Mumbai, 26 March

Mukesh Ambani's privately held biotech research company, Reliance Life Sciences (RLS), will soon diversify to take up biofuel production in a major way.

RLS, which currently produces 6,500 tonnes a year of biodiesel from non-edible crops at a pilot project at Kakinada in Andhra Pradesh, plans to set up crushing and extraction facilities for producing over one lakh tonnes of biofuels a year.

"Biofuels will contribute a significant share of Reliance Life Sciences' revenues in future. We are working on the business plan," said KV Subramaniam, president of RLS.

He said it was too early to comment on the investment needed for the proposed facilities.

Industry sources said the facilities might require an investment of Rs 150-200 crore. One hectare of land yields about a tonne of crop, so RLS will need to cultivate about one lakh hectares of land, they say. The majority of investments go into sourcing raw material, they say.

RLS plans to rope in over 50,000 farmers in Maharashtra, Gujarat, Chhattisgarh and Andhra Pradesh. It is currently carrying out a similar plan to feed the pilot plant at Kakinada. The company had tested intercropping of non-edible fuel crops such as jatropha and pongamia with food crops like corn. Farmers cur-

rently get an average Rs 5 a kg for their yield, in addition to the income from their existing crops, according to Subramaniam.

"We will use available cultivable waste lands for intercropping and this will benefit numerous farmers in over five states get an assured additional income," said Subramaniam.

Started seven years ago, RLS is mainly into biotech drug research, stem cell therapies, cord blood banking and clinical research.

Biofuels is an emerging business opportunity in India, thanks to the initiative taken to use ethanol as an automotive fuel. Tata Chemicals is also testing the waters for a biofuel foray, through a pilot manufactur-

ing unit at Nanded, Maharashtra. It is setting up a bioethanol plant with a capacity of 30 kilolitres a day which will use sweet sorghum as raw material for making bioethanol.

Adjacent to RLS' Kakinada facility, Naturoil Bioenergy Ltd set up an integrated oleochemical complex last year to process biodiesel and allied products with a capacity of one lakh tonnes a year (one of the largest such in the world).

Biotech experts at RLS have also developed tissue-cultured composite varieties of Jatropha through metabolic engineering. They were also working on developing second-generation Jatropha plants, which would improve yield, said Subramaniam.

Publication : Business Standard  
Issue : March 27, 2009  
Page : 03  
Title : Reliance arm to reap big gains from biodiesel