NEWS | POLICY

# 3F Oil Palm signs MoU with AP Government for sustainable development

Company to invest INR 550 crore over the next 5 years across the complete value chain of the project

By **Shraddha Warde** | October 5, 2023




3FOP_MoU_AP

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**Company to invest INR 550 crore over the next 5 years across the complete value chain of the project**

3F Oil Palm, one of India’s leading oil palm companies, signed a Memorandum of Understanding (MoU) with the Government of Andhra Pradesh (AP) for the sustainable development of farmers in the state with a significant investment of INR 550 Crores in Oil Palm cultivation. The MoU was

signed by Y.S. Jagan Mohan Reddy, Chief Minister of Andhra Pradesh, and Sanjay Goenka, Managing Director and CEO, of 3F Oil Palm.

This landmark investment reaffirms 3F Oil Palm’s commitment to fostering economic growth, empowering local communities, and promoting environmentally responsible agricultural practices in the Oil Palm industry.

During the MoU signing, Kakani Govardhan Reddy, State Agriculture Minister, and Gudivada Amarnath, Minister for Industries, Infrastructure, Investment, and Information Technology, were also present.

3F Oil Palm was the first company to commence operations in the state and has since developed more than 25,000 hectares of plantations, bringing together more than 50,000 farming families.

The strategic partnership is expected to contribute significantly to the development of the region as it will help empower existing Oil Palm farmers as well as bring in new prospective farmers into the fold of Oil Palm cultivation. 3F Oil Palm will invest in nursery activities, area expansion, crop maintenance, farmer services, fresh fruit bunches (FFB) collection and handling, R&D facilities, and a green field integrated palm oil processing complex in Ayyavaram village, Nallajerla Mandal, East Godavari.

Due to 3F Oil Palm’s continued investment in the Oil Palm plantation space, the company has been allotted an additional 24 zones in the five districts of Tirupati, Chittoor, Guntur, Nandyal and Krishna with a potential area of over 1,00,000 Ha.

A senior state government official, said: “Palm oil cultivation in Andhra Pradesh stands as a beacon of economic empowerment, contributing over 85 per cent of India's production. It is a vital engine of growth, helps in reducing import dependency, creating jobs, and fostering prosperity in rural communities. This sector not only fuels GDP but also elevates the lives of farmers by way of increased farmer income. We are positive that this groundbreaking project will revolutionise the oil palm cultivation landscape of the state.”

Sanjay Goenka, Managing Director and CEO, 3F Oil Palm, said, “We are enthusiastic to embark on this transformative journey with the farmers of Andhra Pradesh. Our milestone investment of

Rs. 550 crore not only signifies our confidence in the potential of the region but also our commitment to sustainable and inclusive development. Together, we aim to create a thriving ecosystem that benefits all stakeholders. We are particularly elated as this MoU reaffirms the state government's trust in our ability to deliver on our promise, to empower our farmers to make India self-reliant in Edible Oils."

3F Oil Palm currently operates in the states of Karnataka, Assam, Chhattisgarh, Gujarat and Arunachal Pradesh, other than Andhra Pradesh, with a cultivation area spread over more than 55,000 hectares and five processing units.

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