

Pepsi upbeat on agri business

● Targeting \$100 M In Next 3 Years

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NEW DELHI

Pepsi India, having grown potatoes, seaweed and citrus fruits under its contract farming initiative in India during the last four years, is confident of growing its agri-business from \$30 million to \$100 million in the next three years. Among its new plans are growing barley for liquor major United Breweries, processing tomatoes once again and exporting pomegranate juice concentrate, apart from expanding its existing seaweed and citrus fruits initiatives. Pepsi is talking to farmers to grow barley for UB in Rajasthan, Haryana and Punjab. "We are looking at 20,000 acres and nothing less than 20,000 tonne of barley for this initiative," said PepsiCo India executive director (exports and external affairs) Abhiram Seth.

The company has also sent a proposal to the Punjab government to run its multi-fruit and vegetables plant so that it can restart tomato processing which it discontinued after selling off its loss-making processing plant in Hoshiarpur to HLL in 1995. "We have tomato plants in our nursery which farmers grow and sell in the *mandis*. We will ask them to grow for processing as well as to cater to the domestic market," said Mr Seth.

Seaweed cultivation done in Tamil Nadu with self-help groups will also be expanded, he said, which will see a processing plant coming up in the state next year. "We provide the rafts to the groups, which will yield 3,200 tonne of dry weed," said Mr Seth. The business will start yielding returns by year end, he added.

The company is adding more citrus trees to its nursery in Punjab taking the number to 20 lakh by next year and will also soon start exporting pomegranate juice concentrates along with Clean Foods. "We would like to be an ingredient supplier more than a fresh fruit and vegetable supplier," said Mr Seth.

The company did supply fruit and vegetables to Pantaloon's Big Bazaar but considers demand in organised food retail too small right now. "In the long run, we would like to grow fruit and vegetables for our Tropicana brand," said Mr Seth.

