



PepsiCo lends inputs to potato farmers in K'taka

State Accounts For Bulk Sourcing Of Crop For The Snack Giant

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PEPSICO India is lending inputs to potato growers in Karnataka to fight Late Blight, caused by a water mould that attacks the stem, leaves and tubers.

For the American cola and snack giant, Karnataka is a major supplier of the crop during the "kharif" (summer) months.

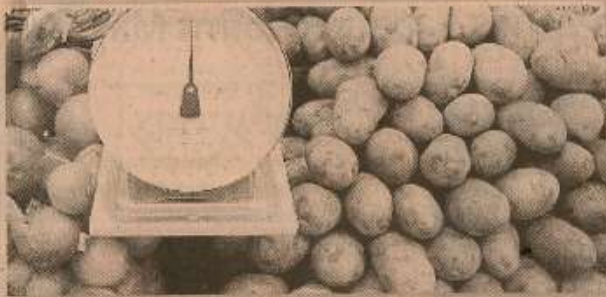
"Karnataka and Maharashtra are key as we source potato during the kharif to supply to our factories. Bulk of the potato growing activity centres around Hassan and Chikmagalur," said Mr Nischint Binatia, executive vice-president (agro) of PepsiCo India Holdings. Karnataka is expected to supply around 15,000 tonne of potato to PepsiCo in 2007.

In Punjab, Uttar Pradesh and West Bengal, potato is a "rabi" (winter) crop. PepsiCo has been running a successful contract farming project since 2002.

The incidence of Late Blight has gained prominence as the first case came to light during November/December 2006 in Punjab from where bulk of the potato seed material is sourced.

To help the farmers in Karnataka, PepsiCo created an institutional frame-work

LATE BLIGHT'S PLIGHT



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roping in Shimla-based Central Potato Research Institute (CPRI), agro-chemical giant Du Pont besides providing weather insurance from ICICI Lombard General Insurance.

"PepsiCo has helped crop agronomy, seed management, chemical treatment and crop supervision. This has ensured that we are well prepared to combat any possibility of an outbreak of Late Blight," a farmer told ET.

"We provide a comprehensive and technologically advanced crop protection package to the potato growers," said Mr Vivek Sharma, GM-marketing of the crop protection products division of EIDu Pont India.

PepsiCo India's contract farming efforts relating to potato now covers over 1,600 farmers compared to 63 in 2001. On a pan-India basis, the quantum of potato sourced under contract farming has risen from 2,920 tonne in 2002 to 57,849 tonne in 2006. Potato sourced under contract farming accounts for roughly 55% to 58% of the US giant's annual snack making requirement.