

THE ECONOMIC TIMES

PepsiCo bets big on Frito-Lay WB unit

Plans To Make Plant Largest In The Country By 2011

Our Bureau
KOLKATA

AT A time when West Bengal government's industrialisation drive has suffered a major jolt, PepsiCo India is poised to make its Frito-Lay manufacturing unit in the state its largest in the country by 2011-12.

PepsiCo India has acquired an extra four acres of land near its existing factory in the state to ramp up the production of Frito-Lay — the food division of the company. Talking to newsmen Animesh Banerjee, vice-presi-

dent (operations) at PepsiCo India Holdings (Frito-Lay division), said: "The West Bengal facility will emerge as the largest factory by 2011. The factory's capacity will increase from 25,000 tonne per annum to 50,000 tonne per annum by 2011-12. However, the expansion plan will largely hinge on the demand curve in the next two years."

Incidentally, apart from West Bengal, Frito-Lay has manufacturing facilities at Channo in Punjab and Ranjangaon in Pune. PepsiCo India had initially invested Rs 140 crore in its West Bengal facility, which is located at

Sankrail Food Park. "In addition, the company will invest another Rs 110 crore in a phased manner to enhance the factory's capacity," Mr Banerjee said. The unit produces two of its major brands — Frito Lay and Kurkure.

Frito-Lay uses around 1.5 lakh tonne of potatoes per annum for its products, 50% of which comes from contract farming. PepsiCo has partnered with more than 10,000 farmers, working in over 12,000 acres across Punjab, UP, Karnataka, Jharkhand, West Bengal, Kashmir and Maharashtra for the supply of potatoes. The company

aims to collaborate with 25,000 farmers in the next five years for procuring potatoes.

Frito-Lay India on Monday launched a new brand Aliva in the baked savoury cracker category. "It is being manufactured at our Ranjangaon facility. With the launch of Aliva, the company aims to create a new sub-segment of great tasting savoury crackers in the greater than 1,500 tonne biscuit category. Our aim is to make Aliva much bigger than Kurkure," said Vidur Vyas, executive vice-president (marketing), Frito-Lay India.

GROWTH CHART

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