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Frito Lay India to step up health-segment focus

Our Bureau
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PEPSICO's snack food division Frito Lay India is looking at strengthening its portfolio in the health foods segments by adding more products under the Aliva and Quaker brands. To meet the demands, the company is also looking at ramping up its manufacturing capacity by 30%, mainly at its West Bengal plant by July this year.

"We have been investing in new brands, and products like Quaker have grown manifold in the last couple of years. It is one of our fastest growing brands and demand for such products is immense as it addresses a lot of lifestyle issues," said Ruchira Jaitly, VP-Frito Lay's. It currently has snack plants at Channo-Punjab, Pune-Maharashtra and Sarkrail-West Bengal.

The company had replaced palmolein oil with rice-bran oil which helped the company achieve a 40% reduction in saturated fat amounting to 5,000 tonne a year since 2007. It wants to now cut the average sodium and add sugar per serving by 25% in a few years.

The brand, which is identified through its potato chips, is also looking at increasing its contract farming of potatoes in India by four-fold in the next three years. It currently has tie-ups with around 15,000 contract farmers in Punjab, Maharashtra, Madhya Pradesh, Uttar Pradesh, Jharkhand, Uttaranchal and West



Bengal. It would now enhance its presence in Andhra Pradesh and Tamil Nadu.

"We plan to take up the number to around 40,000 farmers as it would aid us in developing a self-sustaining model and prove to be a win-win," she said. The branded salt snacks market in India is estimated to be around Rs 2,500 crore, of which potato chips account for almost a half of it.

Frito Lay India had, in October 2009, launched a ten-month consumer engagement programme 'Give Us Your Dillicious Flavour (GUYDF)'. As part of it, the company launched four new flavours—Cheesy Mexica, Tangy Twist, Mastana Mango and Hip Hop Honey and Chilly.