

News monitored for: Pepsi - Brands

# THE ECONOMIC TIMES

## Pepsi-Tata Global JV Packs an Affordable Glucose Punch

Company to launch 'Lehar Gluco Plus' in some parts of Maharashtra through a pilot project

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NEW DELHI | MUMBAI

PepsiCo India's joint venture with Tata Global Beverages is set to launch a glucose-based beverage costing ₹5 next week. 'Lehar Gluco Plus', a lemon-flavoured, non-carbonated drink, will be rolled out in pockets of Maharashtra through a pilot project.

"We are creating a new category with this product in the affordable packaged beverage space. The product works like an instant re-charger," said Geetu Verma, PepsiCo India executive director (innovation).

The beverage is being brought

under PepsiCo's 'Lehar' umbrella label. It will be the second product after 'Himalayan' packaged water to be manufactured and marketed under the 50:50 joint venture NourishCo Beverages. India's health and wellness segment is seen touching ₹55,000 crore by financial year 2015, up from the current ₹10,150 crore, according to a report by consulting firm Tata Strategic Management Group.

PepsiCo has an alliance with Unilever under which it sells Lipton iced tea, but the firm has maintained that both JVs will not overlap. PepsiCo Tata JV CEO Punita Lal told ET that plans were underway to roll out more health and wellness beverages this year. "We are looking to unlock the value segment in the mass hydration space. It is a very large opportunity," she said. Lal said the JV was exploring options across categories for healthier beverages, but did not give details. PepsiCo and Tata had signed an MoU last April to set up the JV for non-aerated beverages.

The JV seeks to leverage the Tata brand and expertise in low-cost

### Energy Boost

The beverage to be rolled out is a lemon-flavoured, non-carbonated drink

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consumer products and couple it with PepsiCo's distribution muscle, go-to-market expertise and R&D strength. Gluco Plus will target segment B&C consumers, which according to Verma, has a base of 600-700 million. Through the alliance, PepsiCo hopes to be seen as a wholesome beverages

company, while Tata Global Beverages gets a larger foothold in the segment. Although Tata Global Beverages has acquired Tetley, Eight O'clock Coffee and Good Earth, its wellness and health beverages portfolio in India is limited to Himalayan packaged water and Ti!ON.