

News monitored for: Pepsi - Brands

THE HINDU Business Line

Pepsi to buy more Bengal potatoes

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PepsiCo to step up potato procurement in W. Bengal

Number of farmers cultivating 'Atlanta' variety up

Shobha Roy

Panpara (Hooghly), Jan. 19

Potato farmers in West Bengal can look forward to some respite from market volatility next year.

Encouraged by a beeline of interested farmers and keeping in tune with its corporate growth plan, PepsiCo India is planning to increase its procurement from West Bengal by almost one-third to 80,000 tonnes (60,000 tonnes) in 2012-13.

The procurement was just about half at 40,000 tonnes in 2010-11.

The area under potato cultivation and the number of associate farmers engaged in the sowing of "Atlanta" variety potato, supplied by PepsiCo India for manufacturing flakes

and other Frito-Lay branded products, is also set to rise proportionately, said Mr Jaideep Bhatia, Vice-President - Agronomy, PepsiCo India.

"We have already roped in close to 10,000 farmers across six districts in Bengal. The total area under cultivation, which was about 5,500 acres in 2011-12, is expected to increase to 7,000 acres in 2012-13," Mr Bhatia said at a press meet in Panpara in Hooghly district, 90 km from Kolkata.

The number of farmers engaged in contract farming of potatoes in Bengal has increased from just about 1,800 in 2008 to a little over 10,000 in 2011-12.

The extreme volatility in potato production and prices over the last three years seems



Gaining popularity: A typical Atlanta farm at Abhirampur village in West Bengal's Hooghly district. The spacing between rows is 26 inches, much more than the common Jyoti varieties. - Shobha Roy

to have convinced an increasingly larger section of growers in the state to accept a steady return through contract farm-

ing than blowing away their wealth in the hope of an elusive windfall gain. PepsiCo's plant at Dhulagarh near Kol-

kata has a processing capacity of 90,000 tonne a year. "Currently our procurement from Bengal accounts for 30 per cent of our total requirement while the rest is met from other states such as Bihar and Uttar Pradesh. We expect to scale it up in order to be able to meet the total requirement of the plant," Mr Bhatia said.

Bengal is the largest supplier of potatoes to Frito-Lay's India operations. The company's total procurement was about two lakh tonnes in 2011-12 spread across nine States.

PepsiCo's pre-agreed price varies between Rs 600 a quintal to about Rs 800 a quintal in various states depending on the cost of cultivation and production, he added.

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