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Pepsi slots \$500 mn to triple India sales

Open to buying local brands, says Indra Nooyi

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Recognising India's potential as a key market, food and beverage major PepsiCo has plans to invest \$500 million in its India operations over the next three years to triple its revenue in the next five years.

"As a tangible sign of our continued confidence in India, I am delighted to announce a further investment of \$500 million in the next three years with the goal of tripling our business here," PepsiCo Chairman and CEO Indra Nooyi said today.

The announcement comes a day ahead of PepsiCo's 26-member senior leadership team executive committee meeting, which starts on Monday.

The investment would be spread over manufacturing capacity, market infrastructure, environment sustainability initiatives, R&D and agriculture. Nooyi said the new investment will generate 50,000 direct and indirect



PepsiCo Chairman and CEO Indra Nooyi addressing a press conference in Gurgaon on Sunday
SANJAY K SHARMA

jobs in India. PepsiCo has invested \$700 million since its entry into the country in 1989, employing 4,000 people directly and some 60,000 others indirectly.

She added that PepsiCo was also open to acquiring local brands or companies for expanding. "We are constantly on the lookout to grow both organically and inorganically," she said. The company is also open to expanding its existing capacities as well starting greenfield plants. At present, PepsiCo has 43 bottling plants in India, of which 15 are company-owned, while 28 are owned by franchisees.

Identifying the health and wellness platform and value-

added products as opportunities for growth, the company plans to widen its India portfolio with a key focus on hydration. "We are looking at building upon the Aquafina brand with extension in fortified nutritional water and flavoured water. Lipton tea will also continue to grow in partnership with HUL," said Sanjeev Chadha, CEO, PepsiCo India Holdings.

While declining to comment on the number of new products that would find their way into India, Nooyi said, "Quaker still hasn't been launched fully in India. Hydration products like the Gatorade offshoots will also make way into the Indian market.