

News monitored for: Pepsi - Corporate



PepsiCo targets to collaborate with 30,000 farmers

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GLOBAL beverages and snacks major PepsiCo expects the number of Indian farmers, from whom it sources different produce, to reach 30,000 by the end of next year, up 25 per cent from the existing pool.

The company works with farmers across nine states, including Punjab, Maharashtra and West Bengal, procuring agri-products like potato and barley from them. "PepsiCo India works with over 24,000 farmers across nine states in the country. By 2013, we are targeting around 30,000 farmers," said Jaideep Bhatia, VP – agro, PepsiCo India.

Asked if the company is looking to engage farmers in other states as well, he said PepsiCo will first look to scale up in the nine states before expanding elsewhere.

Under its collaborative farming programme, the company provides technical and financial support

to farmers, which includes tie-up with banks and insurance firms. The firm assures buy back of the farm produce at pre-agreed prices from cultivators thus helping them insulate from market price fluctuations besides ensuring stable income.

Last year, PepsiCo India had procured 2 lakh tonne of potatoes from the farmers through three plants in West Bengal, Punjab and Maharashtra, which were used to make potato chips. "This year our target is to procure 20 per cent more than the last year," Bhatia said.

On the company's collaborative farming in West Bengal, Bhatia said more than 10,000 farmers were associated with PepsiCo in the state. It operates in six districts — Burdwan, Hooghly, Bankura, Birbhum, Howrah and Midnapur West. "We procured 20,000 tonnes of potato from West Bengal in 2010 and this year we aim to procure 60,000 metric tonnes," Bhatia said.