

News monitored for: Pepsi - Corporate

PepsiCo to invest ₹33,000 cr by 2020

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Mumbai: After Coca-Cola, its arch rival, Pepsi, has stepped up its investment plans in India. Pepsi has announced that it intends to invest ₹33,000 crore (\$5.5billion) by 2020. Last year in June, Coca-Cola had announced that it will pump in \$5 billion by 2020 -- which at that time worked out to be ₹28,000 crore.

PepsiCo is going to invest the money in building up its infrastructure and manufacturing base and innovation and agriculture. In a release on Monday, the company said it's looking to double its production capacity by 2020. At present, it has three food factories and 38 bottling plants across India. The cola giant also wants to stay focussed on rural market and is keen to widen its reach



in the hinterland.

Indra Nooyi (pictured), chairman and chief executive officer, PepsiCo, said: "India is a country with huge potential and it remains an attractive, high-priority market for PepsiCo. We've built a highly successful business in India over the course of many years, and we believe we've only scratched the surface of the long-term growth opportunities that exist

for PepsiCo and our partners. This investment is PepsiCo's vote of confidence in India's future and it represents our deep commitment to this great country."

Since its entry into India in 1989, the company has invested \$2 billion so far and India is among the top five markets for the beverage maker. In fact, in India, PepsiCo has eight brands -- Pepsi, Lay's, Kurkure, 7UP, Slice, Mirinda, Mountain Dew and Aquafina -- that generate ₹1,000 crore or more in estimated annual retail sales.

In order to gain a stronger foothold in India, Coca-Cola and Pepsi have been competing with each other, neck and neck. In September, PepsiCo slashed the prices of its 200 ml returnable glass bottle of Pepsi by Rs 4 in an open challenge to Coca-Cola, which was available at ₹8 per bottle.