

THE HINDU
Business Line

'Incredible commodity inflation' worries PepsiCo chief

Our Bureau

Chennai, Dec. 22

PepsiCo India is worried about inflation, says its Chairman and CEO, Ms Indra Nooyi. "The world today is seeing an incredible commodity inflation, especially in grains and energy," Ms Nooyi, who was here to launch a social programme, said.

"We have to ensure that we navigate our way through this and delivery our agro programmes," she said.

She said PepsiCo and Punjab Government Citrus Development Program has established one of the largest collections of world-class citrus planting material for farmers and has emerged as one of the most successful models of public-private partnerships in the country.

"We now plan to extend our citrus programme to other States. This programme will put India on the citrus map of the world," Ms Nooyi said.

MAJOR CHALLENGES

Ms Nooyi, however, put the challenge of retaining talent ahead of the challenge of inflation. She named talent retention, inflation and transformation of product portfolio as the three major



The PepsiCo CEO, Ms Indra Nooyi, addressing the media at PepsiCo-Exnora's waste management centre in Chennai on Saturday. — Bijoy Ghosh

challenges facing PepsiCo India. "People are the single most important challenge for us in PepsiCo at present. That's what I spend my sleepless nights on," Ms Nooyi said.

PepsiCo India always strives "to create an environment for our people to make a living in PepsiCo and have a good life."

On portfolio transformation, she said that the company is now undertaking a major portfolio transformation -- fun for you, better for you, good for

you; making sure that its portfolio covers the entire range of products.

"We want to make sure that we execute that in the next three years," Ms Nooyi said.

On Saturday, Ms Nooyi launched 'Waste to Wealth' -- a waste management project -- in collaboration with Exnora. Launching the programme here, she said there is something specifically Indian about this.

The drama revolves around

the conflict between two moral positions: Krishna's insistence on doing your duty and Arjuna's claim that action must generate good consequences.

"Pepsi listens to both Krishna and Arjuna," Ms Nooyi said, adding that the company wanted outcomes while being conscious of its responsibilities.

MODERN BUSINESS

Performance with purpose is based on one crucial insight about modern business -- being ethically good.

Here in India, PepsiCo has chosen three areas in its efforts to improve environment sustainability -- converting waste to wealth to make cities cleaner and healthier; replenishing water; and partnering with farmers, she added.

WATER BALANCE

PepsiCo is committed to achieving positive water balance in its facilities by 2009. Two years from now, it will replenish more water in our plants and in our communities than the total water we use in India.

"Today, thanks to our team's initiatives over the last two years, our plants use just one third the water that they did five years ago," she said.