

## Godfrey Phillips to launch sugar boiled candy



(From left) Nita Kapoor, executive vice-president (marketing and corporate affairs), Godfrey Phillips India, and Ajay Srinivas (right), regional sales manager at the launch

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The K K Modi Group and Philip Morris-promoted Godfrey Phillips India is planning to expand its confectionary port-

folio with a planned launch of a new sugar boiled candy. It hopes to start the test marketing of the product in the northern markets where it has a strong presence and it will be launched in other markets subsequently.

"We plans to start the test marketing of a new sugar boiled candy either before the start of the monsoon or after it", Ajay Srinivas, regional sales manager (RSM), Godfrey Phillips India Ltd. (GPIL) said. Godfrey Phillips India, the second largest player in the cigarette industry of the country with popular cigarette brands like four square, red and white, Jaisalmer, Stellar and Tipper filter, today announced its foray into the Orissa market. Announcing the launch of four square fine blend in the twin market of Bhubaneswar and Cuttack, Nita Kapoor, executive vice-president (marketing and corporate affairs) said, the company intends to be national player in the next couple of years.

While the company has strong presence in the cigarette

market of the north and west, it is slowly expanding its footprints in the south and east.

After the successful launch in West Bengal last November, the company has entered the Orissa market and hopes to achieve a market share of 6 percent in the state within next 3 weeks.

The company claims to have achieved a market share of 6 percent in West Bengal between November 2008 and January 2009 and hopes to repeat the same in Orissa. Currently, the company enjoys a market share of 12.5 percent in the all India level. She said, an estimated Rs 200 crore is proposed to be invested in the next 3-4 years for shifting the manufacturing facility located at Andheri in Mumbai and setting up of a new manufacturing unit at Buldhar (Ut-

tar Pradesh).

The licensed capacity of the company is 1 billion cigarettes per month with the capacity utilisation rate being more than 80 percent. This is likely to increase to about 95 percent in the next couple of years.

Kapoor said, the tea and confectionary segment taken together contributes about 14 percent of the sales turnover of the company. While the contribution of tea to the company's sales turnover is about 9 percent, the share of confectionary products is about 5 percent.

The company achieved a sales turnover of Rs 1850 crore during 2008-09 which is targeted to increase to Rs 2200 crore in 2009-10. Similarly, the profit before tax (PBT) is expected to be in the range of Rs 185 crore to Rs 200 crore.