

Godfrey Phillips setting up Rs 200-cr plant

Our Bureau

CHENNAI

TOBACCO player Godfrey Phillips India (GPI) is planning to up its production capacity with a new plant outside Mumbai. The upcoming Rs 200-crore plant in Thane would take capacity to 3.5 billion sticks/month, up from 2 billion/month at present.

GPI, which is the second-largest cigarette manufacturer in the country, is targeting a turnover of Rs 2,200 crore this fiscal, GPI executive vice-president (marketing and corporate affairs) Nita Kapoor said on Wednesday, while speaking to the media about the launch of the company's products in Tamil

Nadu. GPI's turnover for FY09 stood at Rs 1,825 crore.

At 840 million sticks a month, Tamil Nadu accounts for 10% of national cigarette consumption, GPI executive vice-president (sales) Bhisham Wadhera said. The company is targeting garnering a 5% share of this market in a year, reaching out through a 12,500-strong retail network. Currently, 99% of the TN market is controlled by ITC.

Nationally, GPI commands an 11% share of the Rs 20,000-crore cigarette market and wants to up it to 20% in three years time. Towards this end, it plans to increase production, strengthen its retail presence and enter new markets in the country.