

## Hindu Business Line

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# Godfrey Phillips to launch chewing products

**Virendra Pandit**

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Tobacco-products major Godfrey Phillips India Ltd (GPIL), after launching its tobacco-free "Pan Vilas", is set to launch a range of chewing products this year with an investment of up to Rs 125 crore.

The listed company will make more investments in branding the products, to be sold through eight lakh outlets across the country.

While its *gutka* and *zarda* products would be tobacco-based, mouth fresheners would be tobacco-free, a company official said after launching Pan Vilas here.

The industry is seen to have a market growth of nearly 11 per cent a year.

Currently, the organised



Ms Nita Kapoor, Executive Vice-President, Marketing and Corporate Affairs

Indian chewing products industry is estimated at Rs 11,660 crore, comprising cate-

gories such as *pan masala*, *zarda* and *gutka*. The premium chewing products segment is worth Rs 3,075 crore, of which the premium *pan masala* market is around Rs 1,500 crore, with Rs 200 crore in Gujarat alone.

GPIL plans to target 5 per cent share of the premium *pan masala* chewing category this year, said Ms Nita Kapoor, Executive Vice-President, Marketing and Corporate Affairs.

She said Pan Vilas is the only product in its category to be compliant with the Prevention of Food Adulteration (PFA) rules. It contains no manganese carbonate or paraffin often used to enhance shelf-life but which are hazardous to health.

"In fact, the Maharashtra

High Court has banned use of manganese carbonate, which we have replaced with natural alternatives," she added.

For Pan Vilas, developed over the last four years, GPIL has set up a manufacturing plant at Baramati, Pune, with an investment of Rs 50 crore. The company is expecting to break even in three years.

## TEA BIZ

Asked about other GPIL products, Ms Kapoor said the company plans to increase its tea business four-fold in Gujarat aiming to increase consumption of its "Super Cup" brand products from the existing 30 tonnes a year. "In fact, we are looking at making our tea and Pan Vilas products the new growth drivers at GPIL."