

## Sanjiv Goenka Group enters snacks space with low-calorie Too Yumm!

Our Bureau

*Eyes acquisitions in consumables; hopes to grow in organic, inorganic channels*



Sanjiv Goenka, Chairman, Sanjiv Goenka Group, at the launch of Too Yumm! snack in Kolkata  
 Kolkata, April 10:

The RP-Sanjiv Goenka Group is eyeing acquisitions in the food and snacking category to further its FMCG foray. Acquisitions could be of smaller regional players or even national ones.

The group, on Monday, announced its entry into the FMCG space with the “Too Yumm!” brand of low-calorie snacks.

Too Yumm will be owned by Guiltfree Industries, the company focussing on the FMCG vertical of the RP-Sanjiv Goenka group. Son, Shashwat, will head it.

According to Sanjiv Goenka, Group Chairman, the strategy for growth in the snacks and foods segment will be through a mix of organic and inorganic channels.

Around Rs. 10,000 crore will be invested in the vertical over a five to seven-year period that includes acquisition and marketing costs and capex.

Guiltfree, Sanjiv said, is already in talks with “several food companies” for acquisition. Acquisitions would mostly be for getting a better distribution network, infrastructure like manufacturing facility and also for the brand in some cases.

“We have expressed our desire to be in verticals that have low government interference and are less capital-intensive. FMCG was one of the choices. We intend to grow both organically and inorganically in the segment,” he said on the sidelines of the launch.

To a specific question on acquisitions, Sanjiv said: “We are in talks with several companies for acquisitions. Initially, we are focussing on the food and snacking segment.”

### Food portfolio

By mid-April, Too Yumm – which currently has a portfolio consisting of wheat thins and fox nut variants – is expected to be launched in Kolkata, Pune and Delhi & NCR. Over the next few months it will be available pan-India.

This apart, the plan is to expand the portfolio to have 10 products with 40-50 variants within this year. While, the products are being outsourced from facilities in Pune (Maharashtra), Gujarat and Delhi, Sanjiv said the decision on setting up greenfield manufacturing will depend on the acquisitions.

A likely expansion into beverages – like juices – and diary products is being mulled for the next fiscal.

“We would explore premium offerings going forward. In the coming days, launches in the food segment will concentrate on healthy, guilt-free categories,” Sanjiv said.

### \$1 billion business

According to him, Guiltfree, the FMCG arm of the group, is being positioned to be a \$1-billion business (about Rs. 6,500 crore), in the next five years.

The company will also explore opportunities in personal care and healthcare segments.

“Products will be distinctly different from the present offerings in the market,” the Group Chairman said.

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