

‘ITC is evaluating new food trends that gained momentum amid the lockdown’

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Consumer goods major ITC Ltd has been in the news for the acquisition of Kolkata-based packaged spices maker Sunrise Foods.

Hemant Malik, Divisional Chief Executive, Foods Division, ITC Ltd, spoke to *BusinessLine* about the segment and its performance, and the way forward. Excerpts:

How do you see this year's summer sales being impacted, for both the industry and ITC Foods?

There has been a significant uptick in demand for essential food items including Aashirvaad *atta*, spices, salt, Sunfeast biscuits and Yippee! noodles. Such high quality Indian food products have been flying off the shelves very fast.

The consumption of discretionary spending items like snacks, premium chocolates and coffees is likely to be hit; what is ITC doing in this regard?

The demand for discretionary and on-

the-go food offerings remains muted currently and will start picking up once the lockdown restrictions ease. But it is expected to be lower than previous years. Revival of demand for such products will also be a function of shops reopening and availability.

There will be salience for larger-size packs going forward as people are preferring to buy in bulk and, therefore, reducing frequent top-ups.

We are also evaluating some of the new food trends that gained momentum during the lockdown. For example, Dalgona coffee (beaten coffee) has emerged a hugely popular trend and ITC had recently launched a relevant variant of its Sunbean coffee brand - the Beaten Coffee — in select markets.

Can we have some numbers on how Yippee! performed during the lockdown?

During the lockdown people have found it convenient and comforting to consume instant noodles almost like a staple. Yippee!, considered tasty, filling and nutritious, witnessed heightened demand.



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HEMANT MALIK
Divisional Chief Executive,
Foods Division, ITC Ltd

The category witnessed an increase of over 10 per cent in demand during the pandemic.

What about launches?

Launches will be calibrated based on shopping behaviour and evolving consumer trends. It will be focussed on addressing immediate consumer needs that emerge in the new normal.

There are some reports of a showdown between the company and labour unions, about the leave of absence of workers. How is this being handled?

ITC's workforce across factories have braved the odds to ensure that essential food items are delivered despite supply chain challenges, including labour shortage and transportation bottlenecks. We have received tremendous support from our teams and workforce across value chains. Therefore, we have been able to ramp up the production of essential food items, while ensuring highest protocols of safety and hygiene for employees.

There had been some stray instances of a few workers abstaining from work despite being provided safe transport with social distancing norms, all safety precautions at work, additional incentives and meals, as well as directives from the local administration.

However, a large number of their colleagues have continued to present themselves at work and contribute to the national priority of manufacturing essentials during a pandemic.