

Agro Tech Foods

Cooking up innovation

Preeti Khicha

Agro Tech Foods' premium edible oil brand Sundrop has launched a new product, SundropSlimLite cooking spray. The launch comes at a time when many food majors have jumped on the health bandwagon. "The product will allow consumers to control their intake of edible oil while cooking, as each spray contains two calories per spray, instead of the regular 135 calories per single tablespoon of clarified butter (*ghee*)," says Asheesh Kumar Sharma, head (marketing), Agro Tech Foods.

SundropSlimLite cooking spray will be available in the original (canola) and olive variant and will be sold in the top eight cities through 1,500 retail outlets.

The cooking spray took a year and half from conceptualisation to launch. Two other variants — butter and organic — were also tested, but will not hit the market due to subdued consumer feedback. ConAgra Foods which has a 34.3 per cent stake in Agro Tech Foods has a

similar product under the PAM brand. PAM Cooking Spray is imported in India, and is priced at ₹375 for 141 grams. Sundrop SlimLite costs ₹200 for the same quantity. "We sought assistance from ConAgra Foods on product formulation. We had to pick the right formulation of oil to be imported so that it complies with the stringent laws of India," says Sharma. The new product was launched under the Sundrop brand so that it can piggyback on the mother brand's strong equity among Indian housewives.

A RaboBank India 2010 report

notes that branded edible oil is only 15 per cent of the total edible oil market and is estimated at 2.1 million tonnes. The branded oil segment is growing at 20 per cent, with soy and sunflower oils leading others by a long chalk.

According to AC Choksi Share Brokers,

the premium edible oil category in India, valued at ₹950 crore, has two players. Agro Tech's Sundrop (48 per cent share) shares shelf space with Marico Industries' Saffola, which has a 52 per cent share. Sundrop's Superlite (sunflower oil) is the company's flagship brand contributing over 70 per cent of the total sales. Sundrop Goldlife (sunflower and refined corn oil blend) follows with 15 per cent share. Variants Sundrop Heart (rice bran and sunflower), Sundrop Nutrilite (soyabean oil) and Sundrop Freshlite (canola and sunflower oil) make up rest of the pie.

Sundrop Slimlite is the first olive oil and pure canola oil in Agro Tech Food's portfolio. In the olive oil segment, it will directly com-

AGRO TECH FOODS' SUNDROPSLIMLITE IS THE FIRST COOKING SPRAY TO HIT THE INDIAN MARKET

pete with international brands like Carbonell, Leonardo, Figaro and Bertolli. Marico Industries did dabble in olive oil with Saffola Rafael-Salgado in 2002. The product was removed from the shelves in 2003 due to limited consumer off take.



Industry observers say olive oil and canola oil consumption in India is limited. According to Indian Olive Association, in 2010, the expected import volume of olive oil was 4,000 metric tonnes, with close to 3,000 tonnes for edible purposes. To give a larger push to this segment, the Indian government slashed import duty on olive oil to 7.5 per cent from the earlier 45 per cent in 2008.

Estimates regarding the use of canola oil are not available as the segment is underdeveloped. Analysts say Sundrop SlimLite is likely to face some challenges. Both olive and canola oil are expensive and do not feature as the medium of choice in Indian cooking. Given that, it is up to Sundrop to educate consumers to experiment with a new product in a new delivery format. ■