

Wagh Bakri Tea to invest Rs 70 cr in new plant, marketing

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New Delhi, Oct 19 (PTI) Gujarat-based Wagh Bakri Tea Group today said it is investing around Rs 70 crore to set up a new factory and for marketing activities this year.

The company, which is eyeing 20 per cent jump in its turnover to Rs 650 crore this year, said it has launched new products and is looking at opening more "Tea Lounges" -- a place where customers can taste different types of teas and buy it as well.

While Rs 40 crore will be invested on a new plant at Ahmedabad, the firm said another Rs 30 crore has been earmarked for various marketing initiatives this year.

"We are in the process of setting up a new factory. We are investing around Rs 40 crore on it," Wagh Bakri Tea Group Executive Director (Sales and Marketing) Parag Desai told PTI.

At present, the firm has three factories having a total capacity to process and package around 25 million kg of tea annually.

With the new factory, which is set to start commercial production in the next six months, the total capacity will increase to 35 million kg of tea every year, he said.

Opening its second "Tea Lounge" in the Capital, the company said it is looking at setting up more such outlets in Mumbai and Delhi as well as one abroad soon.

"Tea Lounge is a totally new concept. Here, people can come and taste around 40 different types of teas with Indian snacks. If somebody likes to buy, they can also do that," Desai said.

Besides, the company has also earmarked an investment of Rs 30 crore on various marketing initiatives for the year.

"We have entered into the premium segment with the launch of "Good Morning"...In terms of our expansion plan, we want to consolidate our presence in North India," Desai said.

At present, the company sells five tea brands, including Wagh Bakri, Mili and D'ling. Its products are available in seven states in India such as Gujarat, Rajasthan, Maharashtra and Goa. It had recently entered into Delhi and the national capital region.