

# Apeejay Group Mulls Drinking Chocolate, Coffee Foray in India

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Kolkata: Apeejay Surrendra Group, which owns UK's Typhoo Tea, plans to make a foray into the coffee and drinking chocolate market in India. Typhoo has a 30-year-old coffee brand, Red Mountain, in its fold in the UK. Red Mountain range has been extended to include drinking chocolate, instant hot chocolate and coffee whitener.

"We are currently carrying out a market survey to gauge the demand among Indians. We do not have any plan to expand the Typhoo brand for coffee and drinking chocolate in the Indian market. Our experience in the UK is expected to help us in India as well," said Karan Paul, chairman of the group. Paul is working towards increasing the brand's retail footprint in the country.

"Our tea bag business had been growing by 25% in last five years. Business slowed down to 15% -20% in the first half of 2016 due to various reasons. Long summer, discretionary spending and a credit crunch affected the sales. But the

second of FY17 will be much better. We will be able to achieve 25% growth," Paul added. The size of tea bag market in India is pegged at Rs 500 crore and is growing at an annual rate of 14% -15%.

"We will be launching new herbs and infusions, green teas, lemon and honey teas under the Typhoo India brand.

Ours is a premium brand that is available in modern retail stores, airlines and hotels. We do not have plans to get into the mass market at this point of time," Paul said.

Typhoo India had done a business of Rs 24 crore in FY16 and is expecting a topline business of Rs 30 crore in the current fiscal.

Assam tea, which is put into Typhoo India's tea bags, are sourced from Apeejay's estates in India, whereas some ingredients for specialty teas are sourced from other parts of the world.



**Company carrying out survey to gauge demand of products among consumers**