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City's own cola king

By U.K. Bhanot

Mr Kewal Singh Dhillon, the man who has won the biggest Pepsi franchise in India and owns the fastest-growing soft drink company in the country, came to Chandigarh almost as a nobody merely 15 years ago. He was taken around by a local semi-politician who introduced him to those who were somebody in the Union Territory Administration. Mr Dhillon had made to the city from Liberia where the Dhillon family ran one of the largest trading houses,



dealing mainly in building materials.

Today, he fancies himself as the cola king in the region which includes Punjab, Haryana, Himachal Pradesh, Jammu and Kashmir, besides the national capital. The cola war that began in the mid-80s with a fight against the multi-nationals was first lost when the Pepsi came in 1990. During the past four years, Mr Dhillon's company, styled as the Dhillon Kool Drinks and Beverages Ltd., has registered record sales

from 5 lakh cases in 1990 to 18 lakh cases in 1991, 26 lakh cases in 1992, 55 lakh in 1993 and 100 lakh cases in 1994.

The cola sales have 53 per cent of the cold drink market share, the Dhillon group accounts for 52 per cent of the cola market in Punjab and 35 per cent in Delhi. However, its growth rate was 52 per cent in Punjab but 66 per cent in Delhi over the past year's sales. The Dhillon Kool Drinks earned Rs 55 crore last year and is likely to cross Rs 90 crore in the current financial year. The group as such is moving into big calculations. Putting together the fertiliser, rice and oil sales along with the cold drinks and cinema, business, it had a record turnover of Rs 400 crore in the year 1993-94 showing a jump of Rs 100 crore annually. The turnover was Rs 300 crore in 1992-93 and is likely to touch Rs 500 crore in current financial year.

The cold drink culture is catching on in India. Although as against a per capita consumption of 750 bottles annually in the USA, 36 bottles in Thailand and 14 in Pakistan, the average consumption in India was only 3 bottles. In Chandigarh, the consumption has gone up to 15.

Mr Dhillon says the Pepsi-Coke war for supremacy in the market has been waging for the past several years. At present, he claims, Pepsi has a significant edge in the USA, Pakistan and India and the Coke in the U.K.

Handling the largest bottling operation in Asia, his company, says Mr Dhillon, accounts for 42 per cent of the cola bottling share in the country.

He also enjoys the position of having the biggest capacity of 4,000 bottles a minute. This includes the capacity generated by filling of bags and boxes with premix concentrates of the five flavours marketed by him. Through the recently stepped up campaign, the company has scored a major success in the market. In order to meet the growing demand, the company installed over 700 premix (PMX) fountain machines offering all five flavours at one place to the customers at the desired chilling temperature of 4 degree C. The machines have been installed not only at bus stands and railway stations but also a large number of schools and colleges, besides the Panjab University Campus. Thirty such fountain machines have been instal-

Face to face

led at the Radhasoami Satsang pandals at Beas. Each fountain machine has the capacity to yield cold drink equal to 80 cases (1920 bottles).

Mr Dhillon admits that Pepsi has been forced to switch over to 300 ml bottle by the rivals who introduced the same size bottle for their new product. The switchover, he says, has cost the country over Rs 300 crore - a gross wastage which could have been checked by those at the helm of affairs in the government.

But that's all in business. The challenges have to be met. After all, he belongs to the family of Mr Sohan Singh, who sailed to Canada among the early settlers there 120 years ago.