

PepsiCo offers to settle with Indian potato farmers after backlash

Wednesday 8 May 2019, by [PARKIN Benjamin](#) (Date first published: 26 April 2019).

Farmers sued for allegedly growing potatoes used in Lay's crisps without permission

PepsiCo has faced a backlash after suing four Indian farmers who allegedly grew a patented strain of potatoes used in its Lay's crisps without the company's permission.

The company, which originally sought about \$150,000 (£116,000) in damages from each of the farmers, arguing they broke the law by sourcing and dealing the potatoes, offered to settle "amicably" when the case went to court in the western Indian city of Ahmedabad on Friday.

The case sparked outrage from farmers and others concerned that PepsiCo was using its clout to interfere with the country's food supply. The role of foreign companies in producing and selling food in [India](#) is a hotly contested issue, particularly when concerning genetically modified (GM) crops.

"It's a question of India's seed sovereignty, food sovereignty and country sovereignty," said Kapil Shah, an activist who is defending the farmers. "It's spreading panic among the farmers."

A number of farmers' groups in [India](#) have banded together to protest against the court action. Ambubhai Patel, the vice-president of a farmers' association, Bharatiya Kisan Sangh, said they were lobbying the government to back the accused farmers' favour and punish the "harassment" of other farmers.

Patel's group is linked to the prime minister Narendra Modi's Hindu nationalist Bharatiya Janata party (BJP), which has increased its scrutiny of foreign companies in the run-up to national elections ending in late May.

"Potato-growing farmers have nothing to worry [about] and we can't allow such intimidation," Patel told [local media](#). "We will fight against it in court as well as on the streets if needed."

PepsiCo said the farmers who grew its strain of potatoes without permission were hurting the interests of the many people working with the company to produce them for its Lay's crisps. It supplies those farmers with seeds and subsequently buys back the potatoes.

"PepsiCo is India's largest process-grade potato buyer and amongst the first companies to work with thousands of local farmers to grow a specific protected variety of potatoes for it," a spokesperson said in a statement.

The spokesperson later added that the company was compelled to take legal action as a "last resort", and was "deeply committed to resolving the matter".

Companies such as PepsiCo have previously faced criticism for their use of natural resources, [facing a boycott](#) in one drought-hit Indian state in 2017 for allegedly using excessive amounts of water to

manufacture soft drinks.

Memories of the shortage were high on the minds of some commentators this week. “Let us hope PepsiCo won’t sue people for using the same groundwater used in Pepsi,” Ravi Nair, a journalist, wrote on Twitter.

Benjamin Parkin

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