

Mother Dairy to enter health-food segment

Sets up ₹15-cr R&D unit for new pilot lines, testing equipment

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Mother Dairy, a wholly-owned subsidiary of the National Dairy Development Board, is planning to enter the health foods segment. The company has neither finalised the time nor the probable areas that it will look into within the health foods segment.

According to S Nagarajan, Managing Director, Mother Dairy Fruit & Vegetable Pvt Ltd, the company has already spent around ₹15 crore to set up a research and development unit near Delhi that includes new pilot lines and testing equipment.

“Entering into health food is a stated objective for us. But, when and in what categories is something we cannot say just now. We are still



S Nagarajan (left), MD, and Sandeep Ghosh, Business Head, Mother Dairy Fruit and Vegetable Pvt Ltd, at the launch of 'Dailicious' milk in Kolkata

testing things out,” he said on the sidelines of the launch of the company's 'Dailicious' brand of packet milk in West Bengal. Mother Dairy cannot sell milk under the eponymous brand here as the rights for the brand name are still held by the State government.

According to Nagarajan, there are enough health food categories that the company can explore targeting primarily women between the age groups of 11 and 59 and those suffering from calcium, iron

and Vitamin D deficiencies. This apart, deficiencies caused by changing lifestyle too, can be looked into through these offerings.

Incidentally, Mother Dairy is already rolling out different value-adds in the milk category. For example, it is in the process of rolling out a 'low calorie' doi (yogurt) variant over the next two months. This apart, it had previously rolled out 'low fat milk' under the 'Mother Dairy' brand targeting specific markets.

Turnover target, expansion

According to Nagarajan, the company is targeting a ₹10,000-crore turnover over the next two years (by FY-19).

Of this, ₹5,900 crore is expected to come from milk, while another ₹1,800 crore-odd is expected from value-adds.

The remaining ₹1,500 crore will come from edible oil (sold through the Dhara brand) and ₹800 crore from the horticulture segment (under the Safal brand).

Meanwhile, the company will look to expand its presence in new markets that include West and East Indian States like Maharashtra, Bihar, Jharkhand and West Bengal.

Incidentally, Mother Dairy has already set up an integrated food and vegetable (F&V) processing plant at Ranchi (Jharkhand). The first phase of the project includes a freezing line, and this will be followed by setting up of new lines in the coming days.