

Mother Dairy to expand value-added segment in Bengal, eyes ₹500 cr turnover from east in 5 yrs

OUR CORRESPONDENT

KOLKATA: Mother Dairy Fruit & Vegetable Pvt Ltd, a wholly owned subsidiary of the National Dairy Development Board (NDDB), on Monday said it is set to expand footprint in West Bengal over the next five years, augmenting manufacturing capacity of value-added dairy products and reaching out to more districts.

The company's value-added dairy offerings, including ice-cream, curd and butter, are at present available across 10 districts of the state, and it aims to double the count to 20 districts within five years.

The eastern zone is one of the fastest growing markets for our value-added dairy products portfolio, clocking a CAGR of around 35 per cent in the last five years. Going ahead, we plan to increase our brand presence and footprint along with portfolio and manufacturing capacities across the region, which will always be at the core of our expansion strategies, said Sanjay Sharma, Business

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Head Dairy Products, Mother Dairy Fruit & Vegetable.

The company aims to tap over 30,000 outlets from the current count of around 17,000 in the next five years, Sharma said at the launch of a TVC-led campaign for its popular Mother Dairy Mishti Doi' (sweet curd).

Our objective is to grow the value-added dairy products portfolio at a CAGR of more than 30 per cent over the course of five years. Our current utilised capacity at the Dankuni (Hooghly district) plant is 40 per cent, which we would ramp up to 60 per cent by this fiscal. We will take a call on further investment for the facility at the end of March 2023, he told PTI on the sidelines of the event.

The senior official said the company is eyeing a turnover of Rs 170-175 crore in the value-added dairy products segment from the eastern market in 2022-23 and Rs 500 crore by 2026-27, driven by strong demand.

Sharma also said business was almost back to the pre-Covid levels with one of the hottest summers on record this year, and expressed confidence that higher demand will help the company hold onto its margins despite rising procurement cost.

Mother Dairy had hiked the price of its 400 gram Mishti Doi' container by Rs 5 to Rs 70 in March. We haven't yet decided on increasing prices of other products in this segment, he added.