



INDIAN DAIRY SCENARIO
WITH FOCUS ON CHEESE & BUTTER INDUSTRY
AN INSIGHT TO BUFFALO MILK IN INDIA & ITS PRODUCTS

PRESENTATION BY,
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PRESENTATION DIVIDED INTO FOUR PARTS



Indian Dairy Industry



Indian Cheese Industry



Indian Butter Industry



Indian Buffalo milk

THE WINDS OF CHANGE IN INDIA SINCE 1991

- **Sweeping reforms, overturned four decades of protectionism**
 - **No licensing required except few industries**
 - **Threw open the doors to foreign and private sector investment**
 - **Use of foreign brand freely allowed**
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- A woman in a white dress is shown from the back, standing against a bright blue sky filled with white, fluffy clouds. Her hair and the hem of her dress are blowing in the wind, suggesting a sense of freedom and movement. The overall mood is optimistic and forward-looking.

HORIZON OF OPPORTUNITIES

1.2 billion population, 400 million affluent middle class

India set to become most populated country by 2030 with around 1.53 billion people around 19% world population at the same time

Economy growing at 7-8%. By the year 2050 about 50% Indian population will be in urban areas as compared to the present 30%

India's enormous domestic market greatest attraction

INDIAN DAIRY INDUSTRY SCENARIO

India is now world's no.1 milk producing country when it's output projected at 145 mt pa as on 2015, 38% more than USA.

18% milk production of global milk

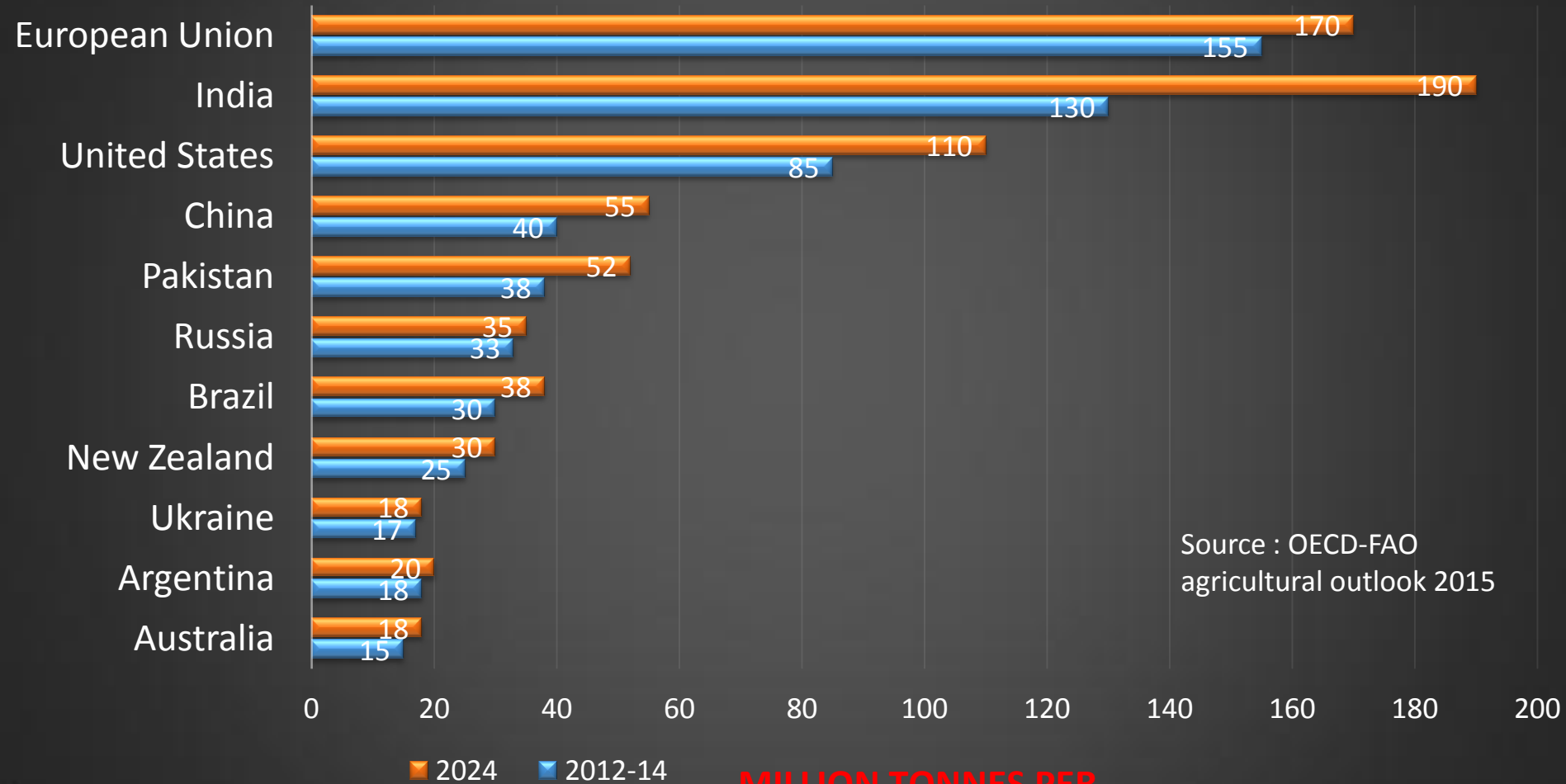
Milk growth average 4% almost 3 times global average

The total number of milch animal are 96 millions of which 57 million are cow and 39 millions are buffaloes

Dairy processing market worth 10.2 billion USD by 2020

Increasing at CAGR of 5.4%.

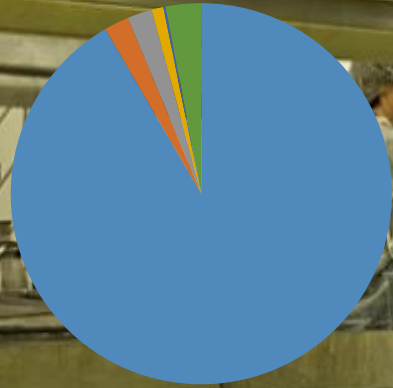
WORLDWIDE MILK PRODUCTION SCENARIO



MARKET TRENDS

- Indian domestic market is world's second largest market.
- Rising incomes across all sectors of urban population have given a spurt to the demand of milk and milk products
- The changing life style is fuelling the fast food revolution.
- Urbanization leading to increased market concentration
- Increased disposable income.
- Demand for convenience food
- “Away from home” consumption trends

CHEESE INDUSTRY INDIA



- Milk 91.7%
- Cheese 2.1%
- Yoghurt 2.1%
- Spreadable Fats 1%
- Soy Products 0.2%
- Other 3%

Traditionally India is a Paneer (Indian cottage cheese) consuming country and not cheese consuming Nation

cheese industry in India is at best in its nascent stage accounting for 2.1% of total dairy products

Per capita consumption of cheese in India is poor 2.4kg/annum as compared to over 20kg/ annum in USA

Cheese heavily under penetrated 3% against 34% global penetration

CHEESE GROWTH POTENTIAL



INDIA'S YOUNG DEMOGRAPHY, GROWTH IN URBAN MIDDLE CLASS, SHIFT IN FOODS HABITS AND INCREASING DEMAND FOR PIZZAS HAVE TRIGGERED A ROBUST DEMAND FOR CHEESE IN INDIA.

NOW PEOPLE CONSUME CHEESE IN SO MANY DIFFERENT FORMS OR USE IN SO MANY VARIETIES OF FOOD PREPARATION IN INDIA ESPECIALLY AFFLUENT FAMILIES.

CURRENT MARKET FOR CHEESE IS 200 MILLION USD PER ANNUM AND EXPECTED TO GROW AT CAGR OF AROUND 20%

80% OF CHEESE CONSUMED IN INDIA IS PROCESSED CHEESE THEREFORE A HUGE OPPORTUNITY FOR DEVELOPMENT OF CHEESE INDUSTRY IN OTHER VARIETIES

NATURAL CHEESE LIKE MOZZARELLA, CHEDDAR, GOUDA, PARMESAN, MONTERY JACK, COLBY, EMMENTAL ETC WILL GROW AT FAST PACE.

PARAG MILK FOODS. A Fully Integrated Dairy Company



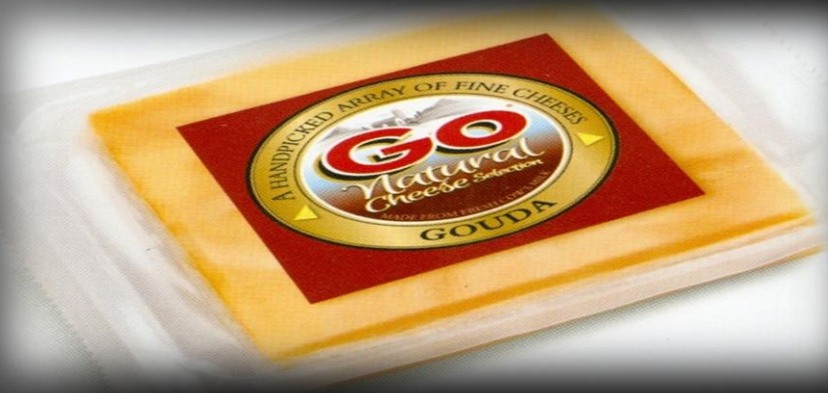
ROTARY MILKING PARLOUR



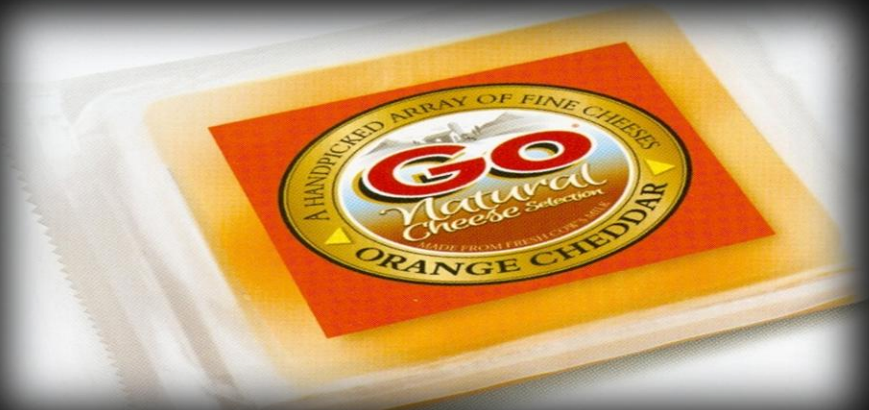
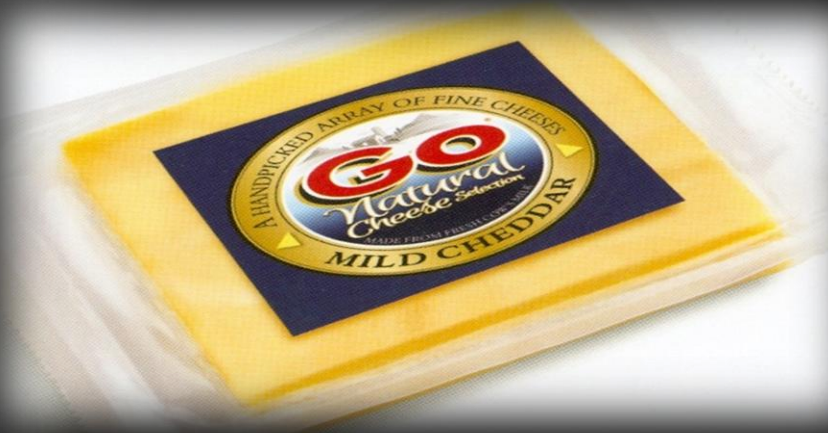
THE CHEESE PLANT



VARIETIES OF CHEESE

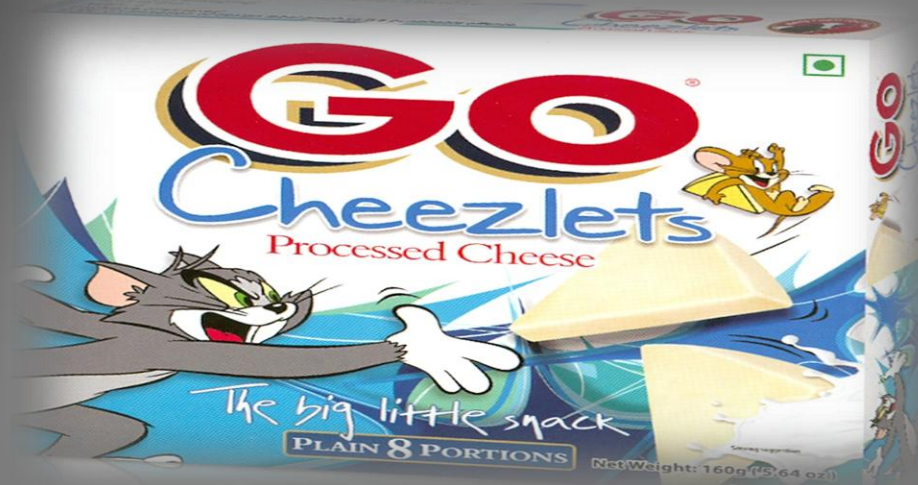


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140g





Go Cheese Angles





Growth opportunities for cheese manufacturers

- **Fortified Enriched
Reduced Fat.**

- **Increasing flavours
protein size. Eg.
Sticks /Balls etc.**

Breakfast

Snacking
On the GO

Cooking

Indulgence

- **Dish specific. For
Cutlets, pakoras.**
- **Ready to cook
microwavable**

- **Creamy spreads
with fruits sweets/
Fruits combinations
cheese platter.**

EMERGING TRENDS

Children (5-12 years)

- String cheese is a favorite among kids, representing a tasty snack that's fun to eat.
- A healthier choice that parents can feel good about offering to their children.

Less fat and more natural

- Health concerns over obesity and linked diseases such as heart disease strongly impact that market given that most cheese is naturally high in fat.

Premium and economy

- Increasing trends in claiming premium and economy in the market
- Home cooking
- Recreating restaurant experiences at home – Master chef / Food Channel
- Shredded Cheese, Small home cooking pack sizes , for salads etc.

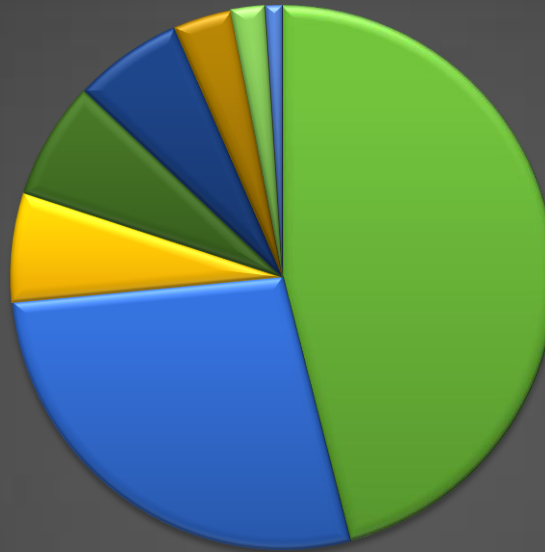
INDIAN BUTTER MARKET

India is world's largest butter producer at 1.5 million tonnes per year 25 % world production at 6.3 million tonnes

Indian butter production poised to grow at 6.5 %

Higher intake of Indian middle class has pushed India's overall butter consumption

INDIAN DAIRY CONSUMPTION BY PRODUCT TYPE



■ Fluid Milk- 46%

■ Butter-6.5%

■ Khoa (Dehydrated condensed Milk)- 6.5%

■ Paneer (Cottage Cheese)- 2%

■ Ghee Clarified Butter- 27.5%

■ yoghurt- 7%

■ Non Fat Dry Milk Powder- 3.5%

■ Other value added products- 1%

BUFFALO MILK IN INDIA



**India largest
producer of
Buffalo Milk**



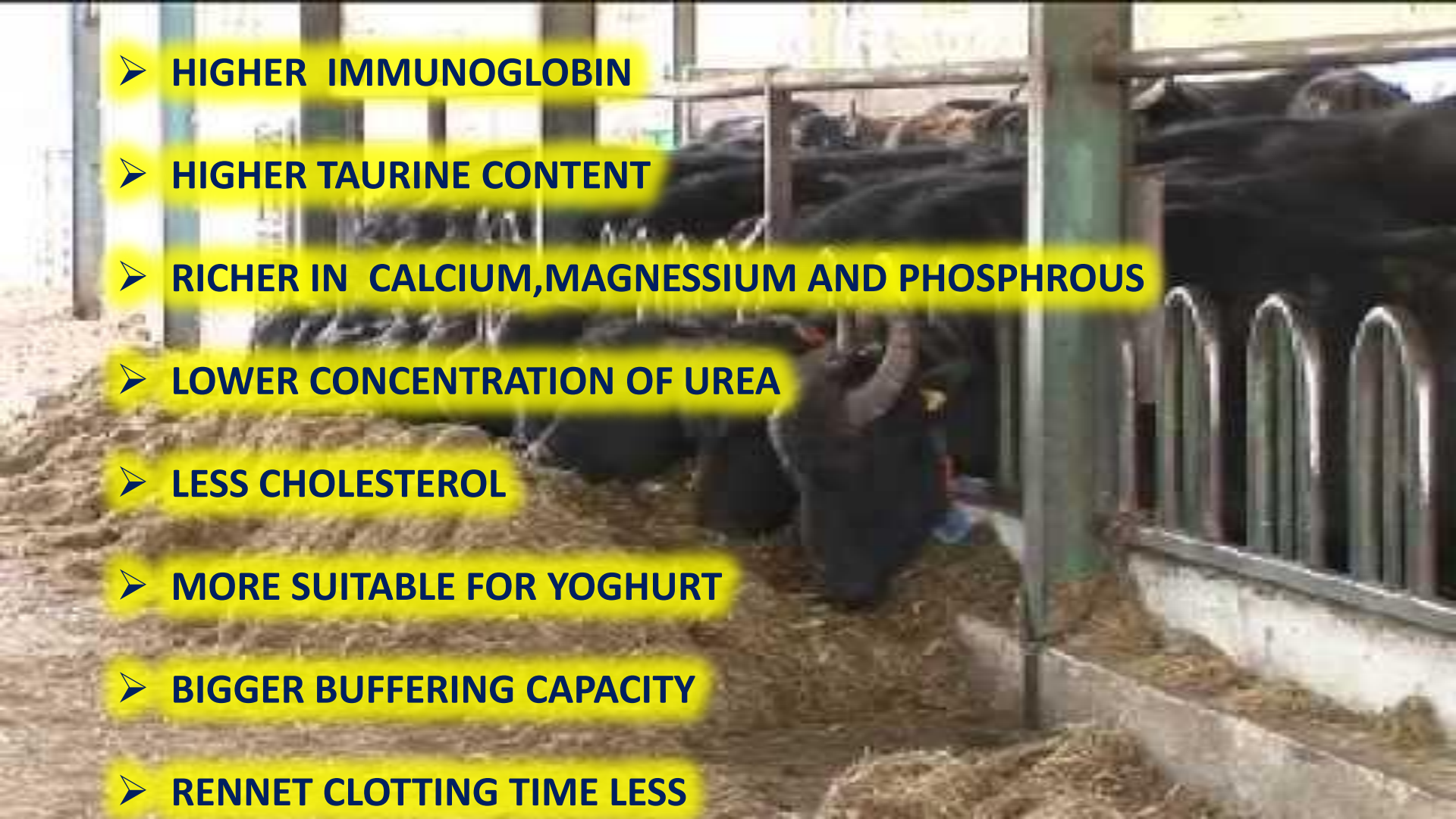
**Buffalo milk
produced is
54% and cow
milk 43%.**

COMPOSITION OF COW AND BUFFALO MILK

CONSTITUENT	COW MILK	BUFFALO MILK
Water	86.5	83.18
Fat	4.39	6.71
Protein	3.3	4.52
Lactose	4.44	4.45
Total Solids	13.5	16.82
Solids-not-Fat	9.11	10.11
Ash	0.73	0.8
Calcium	0.12	0.18
Magnesium	0.01	0.02
Sodium	0.05	0.04
Potassium	0.15	0.11
Phosphorus	0.1	0.1
Citrate	0.18	0.18
Chloride	0.1	0.07
Calcium/Phosphorus Ratio	1.2	1.8

ADVANTAGES OF BUFFALO MILK V/S COW MILK

- HIGHER SOLIDS
- HIGHER ENERGY
- HIGHER PROTEINS
- HIGHER CASEIN MORE SO IN THE COLLOIDAL STATE
- HIGHER WHEY PROTEINS
- HIGHER RATIO OF CALCIUM / PHOSPHOROUS
- HIGHER CONTENT OF LACTOFERRIN
- BIGGER SIZE OF FAT GLOBULES

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- **HIGHER IMMUNOGLOBIN**
 - **HIGHER TAURINE CONTENT**
 - **RICHER IN CALCIUM, MAGNESSIUM AND PHOSPHROUS**
 - **LOWER CONCENTRATION OF UREA**
 - **LESS CHOLESTEROL**
 - **MORE SUITABLE FOR YOGHURT**
 - **BIGGER BUFFERING CAPACITY**
 - **RENNET CLOTTING TIME LESS**

**ALL DAIRY PRODUCTS
CAN BE MANUFACTURED
FROM BUFFALO MILK.**



THANK YOU

