

Headline: Godrej eyes southern pie for agri business

Description: Godrej Agrovvet and Creamline Dairy have strengthened synergies in back-end operations and marketing

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Ever since Godrej Agrovvet, agribusiness unit of Godrej Industries, became the majority stakeholder of Creamline Dairy in December 2015, both entities have strengthened synergies in back-end operations and marketing. Both are joining hands to network with the farmers.

Both entities along with veterinary department officials have been forming teams to visit the farmers as part of the initiative. The programme started in Andhra Pradesh and Telengana one year back and is being extended to other parts of southern region, where Creamline has a presence.

"We are leveraging best of both worlds in terms of marketing and back-end operations. We have formed a network with farmers and this goes beyond just selling cattle feed and providing marketing support for the milk they produce. We are providing a package of technical inputs, which includes cattle feed, veterinary assistance, training in feeding, breeding and cattle management and hygienic ways of milk production," says P Gopalakrishnan, CEO of Creamline Dairy Products.

While Creamline provides marketing assistance to Agrovvet customers to sell their milk in the market, it also sells the cattle feed to its cattle farmers. Creamline currently works with 1.5 lakh cattle owners, of which 80 per cent are Agrovvet's cattle feed customers. The company has been growing this

network by 15 to 20 per cent every year. Last month, Creamline sold 160 tonnes of cattle feed through its network of milk producers.

For Creamline, the synergy with Agrovat, the leading producer of cattle feed in the country, provides back-end support as it plans to deepen its presence in the existing markets in the south. Creamline currently processes 7.1 lakh litres per day and will add one lakh litres per day with the opening of its new plant in Vishakhapatnam. The company is investing Rs 30 crore in this plant.

Under the Jersey brand, Creamline has been expanding its portfolio of value-added products, which accounts for 25 to 30 per cent of its sales volumes.

According to Gopalakrishnan, Creamline's curd production capacity has doubled in the past three years to 1.5 lakh litres per day. The company is also doubling the number of exclusive brand outlets to 200 in next 12 to 18 months.