

Business Review
Dairy Ingredients India
 Producers, Products, Supply and Demand
 2007

INTRODUCTION

India has slowly turned from a milk-deficit to a milk-excess country, and Indian milk output is poised to reach and breach the magical number of 100 million tons in 2007, thanks to ongoing demand-side developments and supply-side promotions. Liberal policies for setting up new dairy processing facilities has led to higher private investment in this sector and has increased consumption of processed dairy products, estimated at 55% of total marketed milk. While developed countries continue to lose share, low-cost emerging dairy producers and exporters are encouraged by higher prices of the last three years.

Apart from occupying the first place in world milk production with a 15% share, the increasing sophistication in local consumption and encouraging trends in exports are pushing local producers to add value to their products both at commodity and specialty ingredient levels. Giract's *IndiaNews* reports in its January 2007 issue that India exported 47kt of SMP and 11kt of casein in 2005/06. This offers a unique opportunity for Western producers to forge special links with Indian dairy units. Schreiber's increasing involvement in India through Dynamix Dairy is a key indicator of the changing dynamics in this huge market. But, this may only be the beginning.

As a key player or a company wishing to find new opportunities, this study enables you to consider your response in charting the strategy of your organization.

OBJECTIVES

- To examine the impact of socio economic factors on milk production
- To estimate total production/trends and production shares of key dairy products
- To identify the major dairy/ingredient producers and to assess their strategies
- To establish the strengths and weaknesses of these key dairy/dairy ingredient producers
- To understand the legal and political implications of any eventual partnerships with Indian dairy/dairy ingredient companies
- To estimate current demand for dairy ingredients across sectors and identify key demand drivers across sectors based on interviews with R&D/NPD departments of end-use companies (to note that the analysis will be restricted to the organised sector, and efforts will be made to provide limited explanations on the unorganised sector)

PRODUCTS

Ingredients: Milk, reconstituted milk, yogurt, cheese, skim milk powder, whole milk powder, milk protein, whey powders, WPC, WPI, lactose, casein/caseinates, and any speciality fractions, if relevant

End-product sectors: Dairy beverages (milk – low fat and 4.5% fat, flavoured milk incl. butter milk, lassi, yoghurt/curd), infant formula, bakery, ice cream, powdered beverages, packaged traditional Indian sweets, confectionery, packaged/branded household products (e.g. paneer), food service, pharma

MARKETS

India

TIMESCALE

2007

PUBLICATION

September 2007 (planned)

For more info, contact

GIRACT
 24, Pré-Colomb
 1290 Versoix/Geneva
 Switzerland

V. Krishnakumar
 Tel: + 41 22 779 0500
 Fax: + 41 22 779 0505
 info@giract.com
www.giract.com