

Parag milk foods tasting new generation's newer strategies

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Under the direction of Devendra Shah, Parag Milk Foods has achieved newer heights in the market with its popular milk products while being known as India's largest private dairy. The company continues to follow newer strategies devised by the next gen entrepreneur while marking its niche across the country and overseas markets and across all the platforms.

Sensing a business opportunity during the hard times of 1992 when farmers had to dump their milk into garbage as cooperatives did not take milk from them in the milk belt of Maharashtra, Devendra Shah set the stone of Parag Milk Foods at Manchar.

" I was intrigued at this observation and further tapped onto this opportunity by starting processing milk unit where we started collecting milk from farmers during holidays and that's how Parag Milk Foods was born," said Devendra Shah, Chairman, Parag Milk Foods Pvt Ltd. Initially during 1992-98 the company was into collection and processing of milk.

From 1998-2008 it started manufacturing dairy products: precisely ghee and milk powders and simultaneously in 2000 it started exporting these dairy commodities too before introducing the popular brands namely Gowardhan, Go, Pride of Cows and Topp Up over the years. Talking about the challenges Devendra Shah says, " The biggest challenge for any brand is to increase distribution, create value offerings for the consumers and constantly re-invent and innovate to be able to create a differentiator in the market. Consumers always want to go with the brand that they have trust on and are wary of trying new alternatives. In such a scenario, it is quite difficult for a new brand to come into the picture and carve a niche for itself."

Under his direction the company established one of India's largest cheese plants with the capacity of 40 MT per day in Manchar, Maharashtra in 2009 along with launching another plant in 2010 in Palamner, Andhra Pradesh, which is fully equipped for UHT milk and processes approximately 4 lakh litre milk per day. It also owns India's largest private dairy Bhagyalaxmi Dairy farm, which consists of 3500 Holstein Persian cows and has a state-of-the-art rotary parlour.

Devendra Shah understands that constant innovation and technology is the key to any business in the world. He introduced products like ghee, Milk Powders, Dahi, Gulab Jamun Mix etc. under the brand name 'Gowardhan' and yogurt, cheese, UHT milk under the brand name 'Go' to connect with Indian tradition and changing youth and modern consumers respectively. In 2008, he started manufacturing value added milk products.

Further he is planning to set up a research and development centre at Manchar to develop new products and processes, and a technology centre at their ancillary for training and development activities in addition to focus on animal husbandry. Observing that the world is shrinking through digitization and the pot is melting with fusion of Western and Eastern Culture the company tied up with Celebrity Chef Ranveer Brar to bring freshness and boldness for its brand 'Go Cheese'.

Recently the company went public and it was listed on both BSE and NSE. The company's IPO was oversubscribed 1.83 times till the last day of the offer. The company reported net profit of Rs 25.96 crore on revenue from operations of Rs 1438.70 crore for the year ended 31 March 2015. Following

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the footsteps of her father, Akshali Shah joined the family business in 2011 after finishing MBA in Family Business Management from S. P. Jain University.

“ My focus has always been into new business development, which includes understanding the global as well as domestic trends, new product development, market research, consumer survey and distribution model,” said Akshali Shah.

She started her career as a management trainee in the company. Her initial years were challenging as she had to prove and achieve her current position of Vice President - Sales & Marketing “ The bigger challenge for me was to adjust within the system where we have people working since 10-12 years. Though it's a family business, the road wasn't that easy for me. The management has seen me since childhood and making them understand that I deserve this position in the company that they had chosen for me was a real challenge,” said Akshali Shah.

Tech savvy yet social media frenzy Akshali is known for taking all the brands of Parag Milk Foods on the digital media platform. She works on a mix of traditional as well as modern technologies to chalk down the newer strategies for all new products. “ We started Pride of Cows a premium milk brand in 2011 with 175 customers. We pioneered in the premium milk business.

Today, Pride of Cows is available in Mumbai and Pune servicing to more than 25000 customers. There are plans for geographic expansion as well as

creating new value added premium product range”, says Akshali while counting on her achievements. Her strength lies in bigger-picture ability, strategic thinking and decisiveness, passion and motivation to make Parag Milk foods the best, ability to learn and evolve, and talent in spotting the best people from within and outside the group and leveraging them to the full.

When it comes to looking toward the future and creating a plan for business growth she believes that there are two types of basic approaches you can take - the sales approach and the marketing approach. And in her view, Parag Milk Foods should be a marketing driven company.

While talking about the lessons she learnt from her father she says, “ My dad is the institute in himself and I am thankful of being his daughter. He is young at heart and also, balances work and family well. From my dad, I have also learnt to be honest, ability to take people along and his sense of equality.”.

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