

For Immediate Release

Hariyali Kisaan Bazaar forays into milk procurement business

- This extension is a part of Hariyali's Farm Out services
 - ***Aims to develop dairy farming as a subsidiary remunerative occupation to boost farm incomes***
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New Delhi, Nov 17, 2009: Hariyali Kisaan Bazaar" (HKB), the rural retail arm of DCM Shriram Consolidated Ltd (DSCL), has forayed into the milk procurement business as part of it's Farm Output services model, creating avenues for added income to farmers. **The milk procurement business successfully started operations in Uttar Pradesh and is looking to expand to Rajasthan next month.** The business model envisages setting up of an efficient milk supply chain between the farmer and the dairy industry and aims to take the relationship with farmers further to give them added incomes through dairy farming in Hariyali's areas of operation.

Hariyali Kisaan Bazaar" works with the twin objectives of increasing productivity and profitability of the farmers. While the focus till date has been primarily on agronomy services, **milk procurement has been identified as additional avenue to generate income as all small and big farmers have cattle.** The company initiated a pilot Dairy Operation in Hardoi and Lakhimpur Khiri districts in central UP where it has four sugar factories and also a strong network of Hariyali outlets. **Hariyali Kisaan Bazaar, now procures milk directly from farmers under its farm output services.** Infrastructure has been established for collecting milk directly from farmers at the village level, and then aggregating it. Villages with milk surplus, but limited offtake opportunities were identified and physical collection is done by a village facilitator, selected from the community. Through this process, the outlets collected 3,500 lit milk/per day in U.P and aims to collect 5,000 lit milk/day by December.

Following the success of the pilot program in UP, the company plans to expand the procurement business and will set up operations in 70 villages of Rajasthan around the districts of Alwar and Hanumangarh. It aims to collect around 10,000 litres per day in December and about 25,000 litres in January. As Hariyali works directly with farmers and has the last mile reach, the farmer centric model of its milk procurement business adds value and transparency. To complement its milk business farmers are also provided with veterinary services from a qualified doctor and meetings are also being held regularly for training in good animal husbandry practices. Quality cattle feed is being provided at the farmer doorstep resulting in productivity improvement. . "The initial response from farmers has been very positive because of timely payment and transparent practices. We are hopeful of extending the procurement business to all the states where Hariyali operates," said **Mr Vikram Shriram, vice chairman and managing director, DCM Shriram Consolidated Ltd (DSCL).**



About DCM Shriram Consolidated Ltd:

DSCCL the Rs 3534 crore is an integrated business entity, with extensive and growing presence across the entire Agri-rural value chain and Chloro-Vinyl industry. The Company has added innovative value- added businesses in these domains. With a large base of captive power produced at a competitive cost, the Company aims at maximizing value creation in its Chloro-Vinyl businesses. The high-value and knowledge based business being incubated by DSCCL include Hariyali Kisaan Bazaar, Fenesta Building Systems and Hybrid Seeds.

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