## **Business Standard**

## Jethabhai Patel elected as new GCMMF chairman

Patel has been chairman Sabar Dairy since 2010

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India's leading <u>dairy</u> co-operative <u>Gujarat Cooperative Milk Marketing</u> Federation (GCMMF) on Wednesday saw Sabar Dairy's Jethabhai P Patel being unanimously elected as its new chairman.

Patel is the chairman of Chairman of Sabarkantha District Cooperative Milk Producers Union Ltd., <u>Sabar Dairy</u> since 2010.

The election, which was conducted by the Deputy Collector, Anand, saw participation of 17 members who were chairmen representing their respective district milk unions in the state. Since 1973, the federation has seen unanimous elections of its chairmen.

Patel's nomination was proposed by Parthibhai Bhatol, Chairman, Banaskantha milk union and supported by Ramsinhbhai Bhetaria, Chairman, Junagadh milk union. It needs to be mentioned here that so far, Patel had been serving as GCMMF's interim chairman following a row surrounding the unceremonious ousting of former chairman Vipul Chaudhary.

The annual sales turnover of GCMMF currently stands at Rs 21,000 crore, wherein the federation markets a wide range of milk and milk products under the brand name <a href="Amul and Sagar">Amul and Sagar</a>.

The member unions of GCMMF procure an average of 16 million litres of milk everyday from 3.6 million milk producers in 18,000 villages of the state.

Talking about the election, Patel said that the dairy cooperatives of Gujarat have been successful since last seven decades due to high values and standards set by its founder leaders like Tribhuvandas Patel and Dr Verghese Kurien.

"The combination of dynamic farmer leadership and professional management has made federation the largest food organization in the country and among the top 15 dairy companies of the world. I will endeavor to ensure that the federation deploys highest quality of ethical and value based management to strengthen the institution and achieve the growth plans," Patel said, while adding that the global dairy industry has been witnessing the surge in production coupled with decline in demand of large countries like China resulting into a sluggish market conditions.

"Milk producers in countries like New Zealand are getting 60% less price for milk as

compared to the previous year. However, the farmers of Gujarat are getting about 5-8% more price than last year. This has been made possible due to GCMMF's emphasis on marketing of branded, value-added dairy products without relying on commodity markets. We are assuring milk producers that GCMMF will continue to strengthen its marketing of value-added products to ensure better returns in the coming years," Patel further stated.

Talking about regulatory measures, Patel said, "Consumers and regulators like FSSAI are becoming extremely vigilant about the quality of food products and we at Amul have to take extra steps to assure our consumers of the consistent superior quality of milk and milk products. Only Amul has the direct cow-to-consumer supply chain in the country which eliminates the middlemen and assures consistent delivery of superior quality milk and milk products to the markets."

Patel said that GCMMF has set a target to achieve milk handling and marketing capability for 30 million litres per day by 2020 and turnover to Rs 50000 crore. GCMMF represents the aims and aspirations of millions of milk producers of the state and he aspires to take it to newer heights.

Under Patel's chairmanship, Sabar Union has become one of the largest dairy unions in Gujarat with annual sales turnover exceeding Rs 2900 crore and membership of 360,000 milk producers.

The union procured an average of 1.8 million litre of milk per day in 2014-15 and has dairy plants in Sabarkantha District and Rohtak, Haryana with processing capacity of one million litre per day.

GCMMF's chairman post has been mired in controversy since last couple of years following a no-confidence motion by the federation's Board of Directors against former chairman Vipul Chaudhary in 2013.

The process had begun when 14 directors of the GCMMF Board submitted a requisition letter to GCMMF MD in October 2013, for arranging a Board meeting to discuss 'no confidence motion' against the then chairman Chaudhary.

Eventually, in a meeting dated December 5, 2013, 14 out of 16 directors of the federation had unanimously passed the no-confidence motion against Chaudhary.

However, in March 2015, the Supreme Court of India upheld Gujarat High Court's previous verdict on ouster of Vipul Chaudhary as chairman of GCMMF through a no-confidence motion by the federation's board of directors. Chaudhary had appealed to the apex court against the removal.