Taste of India continues to commemorate its producers

GCMMF which markets the popular Amul brand of milk and dairy products crosses yet another landmark in its long and illustrious history. The results of the apex body of the dairy cooperatives in Gujarat were declared on 31st May 2012, in the 38th Annual General Meeting of GCMMF. The organization which symbolizes ‘taste of India’ achieved another milestone by crossing the US $ 2.5 billion mark. However, this is not the only feat Amul is celebrating. GCMMF paid Rs. 9901 crores to its Member Unions who are represented by 32 Laks farmers. This way maximum share of consumers’ money earned by GCMMF is being returned to its member farmers. GCMMF has closed year 2011-12 with Rs. 11668 crores turn-over which is approximately 20% higher than Rs. 9775 crores turn over in 2010-11. All over the country and world, where farmers are struggling to make their milk business viable in absence of good returns, the farmers of Gujarat are rejoicing over 58% increase in their milk prices over last three years. Member farmers of GCMMF Ltd received Rs. 465 per Kg Fat for their milk production this year, the highest price being paid to farmers in the country.

The high growth in turn-over is also reflected in the performance of its various mega-brands as the organization has further enhanced its market-share in different product categories in spite of tough competition from local as well as multinational players. GCMMF has done remarkably well in most of the value-added consumer packs. Amul Milk in pouches has shown an impressive value growth of 29%. Sale of Amul Dahi and Amul Buttermilk have grown by remarkable 41% and 27% respectively in value terms. Sales in Amul Cheese have shown consistent and very impressive growth of 23%. Dairy whitener, Amulya too has shown growth of 26% over previous year sales. Amul Ice cream has maintained the position of No. 1 Ice cream brand in India leaving a wide gap with the nearest competitor. With this Amul has emerged as the largest single brand retail in the country.

GCMMF, last year, initiated its largest distribution expansion exercise to extend its reach to smaller towns and semi-urban areas. Apart from 750 distributors added in dairy and fresh products segment, GCMMF has added 150 super distributors through implementation of its new ‘hub & spoke’ model to reach smaller markets. Retailing continues to be an important strategic initiative for GCMMF. During the year 2011-12, 965 new Amul Parlours have been added, taking the total strength to 6315, thus reinforcing the wide popularity of the concept. Apart from 170 parlours at railway stations and 303 parlours operating at various centers of excellence, Amul also has 600 air-conditioned Ice-cream scooping parlours.
While commenting on the results, Shri Parthibhai G. Bhatol, Chairman, GCMMF informed that this performance is even more remarkable, considering the shortage of milk we faced in the beginning two quarters of the year and that GCMMF has recorded a consistent 20% of growth rate for last five years. Increased turn over for GCMMF means better returns to its farmer members for whom this state apex body has been working relentlessly since last 38 years. He also mentioned about the growth plans through which GCMMF will be investing Rs. 3000 crores to set up nine processing units in next four years. “This would enhance our milk handling capacity to 180 lakh litres per day against current capacity of 145 lakh litres per day”, says the Chairman. He emphasized that in order to make India a milk surplus country and to pay reasonable returns to its milk producers, Government would need to give policy focus to dairy. Dairy today receives only 12% of public expenditure against its contribution of 26% in agriculture. Further, exempting income tax on dairying like agriculture, and reduced VAT rates on consumer products which are currently as high as 12.5% would help boost dairy sector and ensure better returns to milk producers and consumers

Shri Bhatol further informed that GCMMF plans to achieve turnover of Rs. 14400 crores in the year 2012-13. As the undisputed leader of organized Indian dairy sector, GCMMF will continue to focus on expanding category penetration and enlarging consumer base of the product categories that it operates in.

![Average Procurement Price Paid to Producers by Our Unions (Rs. per Kg Fat)](chart1)

![Total Payout to Member Unions (Rs. in Crores)](chart2)