



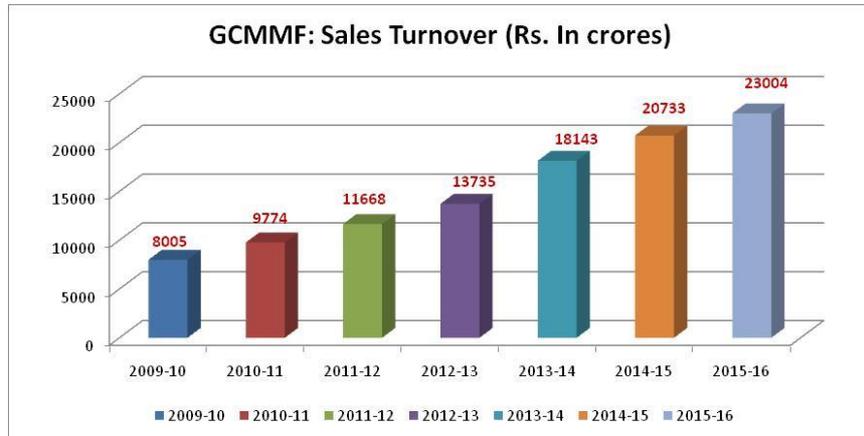
GUJARAT CO-OPERATIVE MILK MARKETING FEDERATION LIMITED

NEWS RELEASE FOR IMMEDIATE RELEASE

Amul spearheads 'make in rural India' with 187% growth in six years

Date: 17th June 2016

GCMMF which markets the extremely popular Amul brand of milk and dairy products has registered quantum growth of 187% in last six years, which implies an impressive cumulative average growth rate (CAGR) of 19.2% during this period. In just last three years, Amul achieved impressive growth of 67% to register turnover of Rs. 23,004 crores during 2015-16. Results of the apex body of dairy cooperatives in



Gujarat were declared on 17th June 2016, in the 42nd Annual General Meeting of GCMMF. In fact, the group turnover of GCMMF and its constituent Member Unions, representing unduplicated turnover of all products sold under Amul brand was Rs. 33,000 crores or US\$ 5 Billion. Rapidly moving up the global rankings, Amul is now ranked as the 13th largest dairy organization in the world, as per the latest data released by IFCN (International Farm Comparison Network). Amul is ranked well ahead of other dairy companies such as Land O'Lakes & Schreiber Foods of USA, Muller of Germany, Groupe Sodiaal of France & Mengniu of China.

Shri Jethabhai Patel, Chairman, GCMMF, emphasized the fact that “in last two years, when dairy farmers across the world have witnessed sharp decline in farm-gate prices of milk, only farmer-members of Amul cooperative family have witnessed growth in milk procurement price. For example, dairy farmers in New Zealand suffered 47% decline in farm-gate prices of cow milk, in last two years. On the other hand, thanks largely to the focus on marketing value-added milk and dairy products in consumer packs, farmer-members of Amul family witnessed 17% in their milk procurement price during the same period. “





GUJARAT CO-OPERATIVE MILK MARKETING FEDERATION LIMITED

NEWS RELEASE FOR IMMEDIATE RELEASE

The chairman added “during the last six years, our milk procurement has witnessed phenomenal increase of 87%. This enormous growth in milk procurement was a result of high milk procurement price paid to our farmer-members which has increased by 90% during last six years. Amul has succeeded in almost doubling farmer’s income in last six years.” He further explained “High remunerative milk procurement price to our farmers has helped us to win back farmer’s interest in milk production. Better returns from dairying have obviously motivated farmers to enhancement their investments in increasing milk production”.

Shri R S Sodhi, Managing Director, GCMMF, emphasized that Amul’s initiative in promoting the concept of commercial, scientific, cooperative dairy farming is also helping to attract next generation of dairy farmers to remain in the business. He added “by aggressively promoting dairy entrepreneurship among rural youth, the benefits of ‘make in India’ initiative can also be extended to rural India”. Shri Sodhi said “If our rural youth view dairy entrepreneurship as an attractive livelihood option, this will help to check migration from villages to urban areas. Incentive schemes to promote dairy entrepreneurship and commercial dairy farming among rural youth can be the central pillar of our *Make in rural India* strategy”. “If our villages are to progress, dairying, which is an integral part of the rural economy and livelihood, must also progress. Thus, *Make in Rural India* is clearly the way to go. For this, what can be better than the dairy cooperatives, a sector that touches the lives of millions of farmers twice every day”, added the Managing Director.

Shri R S Sodhi also informed that “In line with our expansion plans, we have already achieved expansion in our milk processing capacity to 28 million litres per day (280 lakh litres per day). During the year, several major expansion projects were successfully completed, with commissioning of our new dairy plant at Faridabad with capacity of 10 LLPD (lakh litres per day), expandable to 20 LLPD. Our new plant at Rohtak, also started operations with current capacity of 6 LLPD expandable to 10 LLPD. In Gujarat, our new dairy plant at Amreli commenced operations with capacity of 2 LLPD and our plant in Kutch expanded capacity from 50,000 LPD to 2 LLPD with new production facilities for buttermilk and dahi. In view of quantum growth in our beverages range, we have started two new high capacity, packaging lines for PET bottles. During the year, the President of India inaugurated our new cattle feed plant at Kapdivav village of central Gujarat, with capacity of 800 MTPD expandable to 2000 MTPD. We are very close to achieving our goal of trebling our cheese





GUJARAT CO-OPERATIVE MILK MARKETING FEDERATION LIMITED

NEWS RELEASE FOR IMMEDIATE RELEASE

production, with the commissioning of our new ultra-modern, state-of-the-art, Cheese plant at Palanpur and parallel capacity expansion at our existing cheese factory at Khatraj”

Shri Sodhi added “we took giant technological leaps ahead in extending information technology integration and sales-force automation to cover most of our distributors and markets, across India. Technological innovation has helped us in micro-level planning and execution of our sales and marketing strategies. Leveraging on technology, we have started the process of instant communication with millions of trade partners across the country; helping to align all key-channel elements in the same strategic direction. Our digital marketing activities and social media visibility initiatives are helping us to connect with youngsters and emerging generation of new consumers”.

