

Gujarat Co-op Milk Marketing Fed (AMUL) sales turnover crosses Rs. 23,000 cr mark

April 01, 2016 [DeshGujarat](#)

Anand

Gujarat Co-operative Milk Marketing Federation Ltd., which markets the popular Amul brand of milk and dairy products has registered a provisional turnover of Rs. 23,005 crores for the financial year 2015-16 which ended on 31st March. This is 11% higher than last financial year's sales turnover of Rs 20733 crores. The entire sales turnover growth has come because of volume. Turnover of GCMMF has increased by 187% during last six years. The provisional unduplicated group turnover of member unions of Amul group has crossed Rs. 33,000 crores which is also higher by 14% compare to last financial year. It may be noted that GCMMF has planned to achieve sales turnover of Rs. 30,000 crores by 2017-18. GCMMF has been achieving a value growth of more than 20% since last six years because of higher milk procurement, continuous expansion in terms of adding new markets, launching of new products and adding new milk processing capacities across India. In order to reach interior markets, GCMMF has started twelve new branches in India during last three years.

The 17 member Unions of GCMMF with farmer member strength of more than 36 lakhs across 18,600 villages of Gujarat are procuring on an average 180 Lakhs liters of milk per day. Because of better milk procurement prices paid by member unions of GCMMF, milk procurement by member unions has increased by 91% during last six years. GCMMF ranks among the top 15 dairy companies in world in terms of milk processing.



In order to meet milk and milk product demand in major metros of India, the member unions of GCMMF have started creating their own milk processing plants in states of Haryana, Uttar Pradesh, Maharashtra, Madhya Pradesh, West Bengal and Rajasthan. The Member Unions of GCMMF have also started milk procurement from other states so that milk producer members of these states also benefit from “Amul Model”.

Shri Jethabhai Patel, Chairman, GCMMF, emphasized the fact that mantra of rapid expansion has clearly yielded rich dividends for GCMMF. “Based on estimated growth in market demand for Amul products and our future marketing efforts, we anticipate at least 20% CAGR growth in the business of GCMMF during the next five years. The Chairman added that Amul plans to enhance its milk processing capacity from the current level of 281 lakh litres per day to 380 lakh litres per day in the next five years.

He also added that globally prices of milk and dairy commodities have reduced by half however farmers of Gujarat are continuously getting higher prices of their milk products. He further informed that in New Zealand farmers were getting around Rs. 51.5 per liter of milk during 2013-14 which is reduced to Rs. 21.7 per liter during 2015-16. On the other hand, farmers of Gujarat are getting 8-10% higher price of milk every year.

On behalf of 36 lakhs milk producer members of Gujarat, Shri Jethabhai Patel has conveyed his sincere gratitude to Government of Gujarat and Government of India for their continues and timely support for various scheme related to producers.

Shri R S Sodhi, Managing Director, GCMMF said that “We have achieved volume sales growth in all product categories. Pouch milk which is highest turnover products has shown volume growth in double digit. He also added that majority of our products like butter, ghee, Ice Cream, UHT milk, flavored milk, Paneer and fresh cream has shown double digit growth.

He added that every year, we are getting better results because of strong foundation laid and value system created by our founder chairman, late Dr. V Kurien and selfless and visionary leadership of late Shri Tribhuvandas Patel and late Shri Motibhai Chaudhary.


It is important to note that GCMMF passes on 80-85% of consumer rupee back to milk producer members thus by encouraging them to produce more milk.


– **DeshGujarat**


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MARKET STATS
As on 01/04/2016

 SENSEX
25269.64 -72.22
(-0.28%)

 NIFTY
7713.05 -25.35
(-0.33%)

 GOLD (MCX) -528.00
28021.00 (-1.85%)

 USD
66.49

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GCMMF sees 11% jump in turnover at Rs 23,005 crore

For the financial year 2015-16, Gujarat Co-operation Milk Marketing Federation (GCMMF), the body that markets dairy products under the brand name Amul, has achieved...

By: [FE Bureau](#) | Ahmedabad | April 2, 2016 1:00 AM

For the financial year 2015-16, Gujarat Co-operation Milk Marketing Federation (GCMMF), the body that markets dairy products under the brand name Amul, has achieved a provisional turnover of Rs 23,005 crore, which is 11% higher than the previous year's sales turnover of Rs 20,733 crore.

On the sidelines of a press conference, GCMMF managing director RS Sodhi elaborated: "Each year, Amul sees a growth of nearly 20% or even more. However, in the last 20 months, we haven't hiked the prices of our products. We have even reduced prices on some products like 'chaas' (buttermilk). It was earlier sold at R11, and is now sold at Rs 10. As a result, our growth has been 11% for this fiscal."

GCMMF plans to achieve sales turnover of Rs 30,000 crore by 2017-18, and enhance Amul's milk processing capacity from its current level of 281 lakh litres per day to 380 lakh litres per day in the next five years.

Jethabhai Patel, chairman of GCMMF, added, "Based on estimated growth in market demand for Amul products and our future marketing efforts, we anticipate at least 20% CAGR growth in the business of GCMMF during the next five years."

In order to increase its visibility and sales, Gandhinagar District Co-operative Milk Producers Union Limited (GDCMPU), also known as Madhur Dairy, has entered into a marketing tie-up with GCMMF in order to achieve greater sales in the market.

Addressing the media, Shankersinh Rana, chairman of GDCMPU, said, "There is no trouble with the procurement.

This move is only to increase our sales. Madhur Dairy registered a turnover of R306 crore for this financial year. The only difference will be that our products will now be sold under the Amul brand and our outlets will sell Amul products."



Amul records over Rs 23,000 cr turnover in FY16

Eyes Rs 30,000 cr in two years; plans to enhance milk processing capacity from 28.1 mlpd to 38 mlpd in next five years

BS Reporter | Ahmedabad April 1, 2016 Last Updated at 18:24 IST

Gujarat-based [dairy](#) giant, among top 15 global dairy outfits in terms of milk processing, Gujarat Cooperative Milk Marketing Federation Ltd (which markets the popular [Amul](#) brand of milk and dairy products) today said its provisional turnover for 2015-16 fiscal is Rs 23,005 crore, up 11% from last year.

The figure assumes significance when we pitch this against the turnovers of the food giants in the country. Britannia posted a turnover of Rs 7,175.99 crore for 2014-15, while Nestle clocked a turnover of Rs 8,175.31 crore. ITC and HUL's food businesses posted turnovers of Rs 6,411 crore and Rs 5,522 crore respectively last fiscal.

What is noteworthy, the dairy cooperative has managed to grow its turnover 187% or about 3.75 times in the past six years. As R S Sodhi, the managing director of GCMMF under whose stewardship the Anand-headquartered cooperative has scaled new heights, pointed out, "We have grown from a turnover of Rs 8,000 crore to 23,000 crore just about six years. The target of taking this to Rs 30,000 crore by 2017-18, which means 25% growth in two years, seems achievable."

The entire sales turnover growth has come because of volume. Sodhi said that while we have registered a value-growth of 11%, our volume growth is around 13-14% which has come

from additional volumes in existing markets as well as volumes from new markets. He added that volume growth for value added products has been around 15%, while for liquid milk it is around 13-14%.

The provisional unduplicated group turnover of member unions of Amul group has crossed Rs 33,000 crores which is also higher by 14% compared to last financial year.

This entire value growth has come despite paying high procurement prices to milk farmers. Sodhi highlighted that while worldwide farmers are getting 30-50% less price for their milk, Gujarat farmers are getting at least 8-10% more price. GCMMF passes on 80-85% of consumer rupee back to milk producer members thus by encouraging them to produce more milk.

The 17 member Unions of GCMMF with farmer member strength of more than 36 lakhs across 18,600 villages of Gujarat are procuring on an average 18 million liters of milk per day (mlpd). Because of better milk procurement prices paid by member unions of GCMMF, milk procurement by member unions has increased by 91% during last six years.

Jethabhai Patel, chairman, GCMMF, emphasised the fact that mantra of rapid expansion has clearly yielded rich dividends for GCMMF. "Based on estimated growth in market demand for Amul products and our future marketing efforts, we anticipate at least 20% CAGR growth in the business of GCMMF during the next five years."

He added that Amul plans to enhance its milk processing capacity from the current level of 28.1 mlpd to 38 mlpd in the next five years. Patel also claimed in New Zealand farmers were getting around Rs 51.5 per liter of milk during 2013-14 which was reduced to Rs 21.7 per liter during 2015-16. On the other hand, farmers of Gujarat are getting 8-10% higher price of milk every year.

In order to meet milk and milk product demand in major metros of India, the member unions of GCMMF have started creating their own milk processing plants in states of Haryana, Uttar Pradesh, Maharashtra, Madhya Pradesh, West Bengal and Rajasthan. The Member Unions of GCMMF have also started milk procurement from other states.