



## ‘300% rise in farmer income in 7 years’

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AHMEDABAD: At a time when demand for farm loan waiver is growing in many states, [Gujarat Co-operative Milk Marketing Federation](#) (GCMMF), which markets milk and milk products under [Amul](#) brand, on Thursday claimed that the income of farmers associated with the co-operative federation has quadrupled in last seven years. The federation has 36 lakh milk producers, mostly farmers, as its members.

"GCMMF has successfully quadrupled the income of its dairy farmers in last seven years, demonstrating the efficacy of Amul model," the dairy giant stated in a statement issued after its 43rd annual general meeting in Anand on Thursday.

Explaining the four-fold rise in the income of its member farmers, Amul stated that milk procurement prices paid by the federation to associated dairy farmers has doubled from Rs 24.30 per litre for buffalo milk (Rs 337 per kg fat) in 2009-10 to Rs. 49 per litre (Rs 680 per kg fat) in 2016-17. During the same period, GCMMF's milk procurement, too, doubled from 90.9 lakh litres per day (LPD) to 176.5 LPD; thus effectively increasing the income of its dairy farmers four times. This was highlighted during a performance review of GCMMF in the [AGM](#).

"Our milk procurement has witnessed a phenomenal increase of 96% in the past seven years. This growth was a result of the high milk procurement price paid to our farmer-members which has increased by 102% in this period. This highly remunerative price has helped us retain the farmers' interest in milk production," said GCMMF chairman Jethabhai Patel.

Rapid expansion by the co-operative major has helped it increase its standalone sales turnover three-and-a-half times from Rs 8,005 crore in 2009-10 to Rs. 27,043 crore in 2016-17. On the other hand, the group turnover of GCMMF and its member unions, representing unduplicated turnover of all products sold under Amul brand, stood at Rs 38,000 crores by the end of fiscal 2017. GCMMF is now eyeing a group turnover of Rs 50,000 crore and become the largest dairy organization in the world by 2020-21. At present, it is ranked 13th across the globe.

"We have significantly enhanced our production capacities for major dairy products during the last three years. Simultaneously we have enhanced our distribution footprint by expanding

our network of distributors, super-stockists and sub-stockists to reach millions of retail shops across the country," added R S Sodhi, MD, GCMMF.



The [Gujarat Co-operative Milk Marketing Federation](#) (GCMMF), which sells the Amul brand of products, claimed that it has managed to increase farmers' income nearly four times in the past seven years.

During these years, the GCMMF has more than doubled the price of buffalo milk — from Rs24.30 a litre in 2009-10 to Rs49 a litre in 2016-17 — it procures from farmers. At the same time, the cooperative's milk procurement, too, doubled during the same period, from 9.09 million litres per day (mlpd) to 17.65 mlpd.

The cooperative's sales turnover increased 3.5 times, from Rs8,005 crore in 2009-10, to Rs27,043 crore in 2016-17. In 2015-16, it had clocked a turnover of Rs22,972 crore.

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## Amul raises farmers' income four-fold in seven years

Turnover of GCMMF has registered quantum growth of 238%, which implies CAGR of 19%

[Dilip Kumar Jha](#) | Mumbai June 15, 2017 Last Updated at 16:04 IST



Farmers supplying milk to Gujarat Cooperative Milk Marketing Federation Ltd (GCMMF) have witnessed four-fold increase in their income over the last seven years, claims the company, which markets the popular [Amul](#) brand of milk and [dairy](#) products.

While farmers' per litre milk realisation has doubled to Rs 49 a litre (Rs 680 per kg of fat) in the financial year 2016-17 from Rs 24.30 a litre ( Rs 337 per kg of fat) in 2009-10, overall milk procurement of the cooperative has also doubled during this period to 17.65 million litres per day from 9.09 million litres per day.

"This effectively shows an increase of four fold in [dairy](#) farmers' income over the last seven years which demonstrates the efficacy of [Amul](#) model in exceeding our national goal of doubling farmer's income in six years," said R S Sodhi, Managing Director, [GCMMF](#).

During this period, turnover of [GCMMF](#) has registered quantum growth of 238 per cent, which implies an impressive cumulative average growth rate (CAGR) of 19 per cent during this period. The mantra of rapid expansion had yielded rich dividends with the GCMMF's sales turnover increasing 3.5 times from Rs 8,005 crore in 2009-10 to Rs 27,043 crore in 2016-17. The company aims to achieve a turnover of Rs 50,000 crore and become the largest FMCG organisation in India by 2020 - 21. In the long-term, [Amul](#) claims to establish itself as the largest [dairy](#) organisation in the world, rising up from its current ranking of thirteenth largest [dairy](#) organisation to number one.

"Our milk procurement has witnessed a phenomenal increase of 96 per cent in the last seven years. This enormous growth was a result of the high milk procurement price paid to our farmer-members, which has increased by 102 per cent in this period. This highly remunerative price has helped us retain the farmers' interest in milk production. Better returns from dairying have motivated them to enhance their investments in increasing milk production," said Jethabhai Patel, Chairman, [GCMMF](#).

The company has expanded its [cheese](#) manufacturing facility three-fold at its [dairy](#) plant at Talaja in Maharashtra, Kolkata and Surendranagar. These plants are at various stages of completion. The processing capacity of our AmulFed [dairy](#) at Gandhinagar is being enhanced from 3.5 million litres per day to 5 million litres per day.

"We are also enhancing our milk powder manufacturing capacity with a new factory of 150 tonnes per day production capacity coming up at Gandhinagar, along with another new milk powder plant at Himmatnagar. We are also putting into effect significant capacity expansions for chocolates and paneer," said Sodhi.

The company has also enhanced its distribution footprint simultaneously by adding 15 new branch offices in recent years and expanding network of distributors, super-stockists and sub-stockists to reach millions of retail shops across the country. Also, the company has added 1,250 distributors during the year. The company has introduced 50 new products under [Amul](#) brand in the last three years.

# Amul turnover crosses Rs 27k mark; farmer income up four times in 7 years

GCMMF's sales turnover increased 3.5 times, from Rs 8,005 cr in 2009-10 to Rs 27,043 cr in 2016-17

[BS Reporter](#) | Ahmedabad June 15, 2017 Last Updated at 17:35 IST



*Amul: Turnover of GCMMF has registered quantum growth of 238 per cent in last seven years*

Farmers pouring milk for the country's largest [dairy](#) cooperative [Gujarat Cooperative Milk Marketing Federation Ltd](#) (GCMMF) which sells the [Amul](#) brand of [dairy](#) products have been a lucky lot. At a time when farmer protests are spreading like wildfire across different parts of the country, [GCMMF](#) claims that it has managed to grow the farmer income nearly four times in the last seven years, which is better than the national goal of doubling farmers' incomes in six years.

During the last seven years, GCMMF's milk procurement prices to its farmer-members more than doubled from Rs 24.30 per litre for buffalo milk (Rs 337 per kg fat) in 2009-10 to Rs 49 per litre (Rs 680 per kg fat) in 2016-17. At the same time, the cooperative's milk procurement too doubled during the same period, from 9.09 million litres per day (mlpd) to 17.65 mlpd.

"Since farmer income is a factor of per unit price (which has doubled) and the volumes (which too have doubled), the overall income has roughly grown four times or so. During this

period we have also added more farmers to our network. However, that is not a huge number. The effective farmer income is around four times," said a senior official in [GCMMF](#).

Turnover of [GCMMF](#) has registered quantum growth of 238 per cent in last seven years, which implies a cumulative average growth rate (CAGR) of 19 per cent during this period.

GCMMF's sales turnover increased 3.5 times, from Rs 8,005 crore in 2009-10 to Rs. 27,043 crore in 2016-17. In 2015-16 it had clocked a turnover of Rs 22,972 crore.

In the 43rd annual general meeting of [GCMMF](#) on Thursday, the cooperative stated that the group turnover of [GCMMF](#) and its constituent Member Unions, representing unduplicated turnover of all products sold under [Amul](#) brand was Rs. 38,000 crores or \$ 6 billion.

"[GCMMF](#) aims to achieve a business turnover of Rs. 50,000 crore and become the largest FMCG organisation in India by 2020-21. In the long-term, [Amul](#) claims to establish itself as the largest [dairy](#) organisation in the world, rising up from its current ranking of thirteenth largest [dairy](#) organisation to number one," a statement here read.

Jethabhai Patel, chairman, GCMMF, emphasised the fact that "During the last seven years, our milk procurement has witnessed a phenomenal increase of 96 per cent. This enormous growth was a result of the high milk procurement price paid to our farmer-members which has increased by 102 per cent in this period. This highly remunerative price has helped us retain the farmers' interest in [milk production](#). Better returns from dairying have motivated them to enhance their investments in increasing [milk production](#)."

R S Sodhi, managing director, [GCMMF](#) said, "We have significantly enhanced our production capacities for major dairy products during the last three years. During this period, we set up several new [dairy](#) plants including new [dairy](#) factories at Faridabad, Rohtak, Lucknow, Kanpur, Amreli and Kutch."





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## Farmers' income rises four times in 7 yrs: AMUL

Posted in [Dairy](#) on June 15, 2017 by [Ajay Jha](#)



Gujarat Cooperative Milk Marketing Federation has successfully quadrupled the income of its dairy farmers in last seven years, demonstrating the efficacy of Amul model once again. Results of the apex body of dairy cooperatives in Gujarat were declared on 15th June 2017, in the 43rd Annual General Meeting of GCMMF.

According to a press release sent by GCMMF “the group turnover of GCMMF and its constituent Member Unions, representing unduplicated turnover of all products sold under Amul brand was Rs. 38,000 crores or US\$ 6 Billion”.

During the last seven years, Amul's milk procurement prices to its farmer-members more than doubled from Rs. 24.30 per litre for buffalo milk (Rs. 337 per kg fat) in 2009-10 to Rs. 49 per litre (Rs. 680 per kg fat) in 2016-17. Since the cooperative's total milk procurement also doubled during this period, from 90.9 lakh litres per day to 176.5 lakh litres per day, this effectively increased the income of its dairy farmers, four-fold in the last seven years.

Turnover of GCMMF has registered quantum growth of 238% in last seven years, which implies an impressive cumulative average growth rate (CAGR) of 19% during this period. The mantra of rapid expansion had yielded rich dividends with the GCMMF's sales turnover increasing 3.5 times, from Rs. 8,005 crore in 2009-10 to Rs. 27,043 crore in 2016-17, read a release sent by GCMMF.

GCMMF aims to achieve a business turnover of Rs. 50,000 crore and become the largest FMCG organization in India by 2020-21. In the long-term, Amul claims to establish itself as the largest dairy organization in the world, rising up from its current ranking of thirteenth largest dairy organization to number one, notes the release.

Jethabhai Patel, Chairman, GCMMF, emphasized the fact that “during the last seven years, our milk procurement has witnessed a phenomenal increase of 96%. This enormous growth was a result of the high milk procurement price paid to our farmer-members which has increased by 102% in this period. This highly remunerative price has helped us retain the

farmers' interest in milk production. Better returns from dairying have motivated them to enhance their investments in increasing milk production.”

The chairman added “the drive towards digital and cashless payments, which received a huge boost thanks to Government of India’s demonetization initiative, has brought about significant benefits to our farmers in rural Gujarat. We have actively helped our farmer-members to open bank accounts and have linked an additional 13 lakh farmers’ bank accounts to our system. Now, milk payments are cashless and directly transferred into their bank accounts.”

The Vice-Chairman of GCMMF, Jethabhai Bharwad, explained in detail “our digitalization drive has brought in complete transparency in payment to milk producer members. Farmer-members are aware of the exact amount due to them and the rationale behind the same. Payments going directly into their bank accounts also helps inculcate the savings habit in them.

Bharwad further said “The need for an active bank account has brought large number of the Amul family farmer households directly into the formal banking network. Automated Milk Collection Systems installed at village dairy cooperative societies have now been linked through common online software applications. This helps to further enhance transparency among producer members using digital technology”.

R S Sodhi, Managing Director, GCMMF, emphasized that Amul’s success has been driven by its ‘3E’ mantra – Rapid expansion in milk procurement, rapid expansion in manufacturing facilities and rapid expansion in marketing & distribution network. He added “we have significantly enhanced our production capacities for major dairy products during the last three years. During this period, we set up several new dairy plants including new dairy factories at Faridabad, Rohtak, Lucknow, Kanpur, Amreli and Kutch. Our new Cheese factory at Palanpur in Gujarat’s Bansakantha district was inaugurated, by our Hon Prime Minister, Shri Narendra Modi, in December 2016. This has led to a three-fold increase in our Cheese manufacturing capacity.”

Sodhi went on “ Our new dairy plants at Taloja in Maharashtra, Kolkata, Surendranagar and Ahmedabad are in various stages of construction and will further add to our capacities, when commissioned. The processing capacity of our AmulFed dairy at Gandhinagar is being enhanced from 35 lakh litres per day to 50 lakh litres per day. We are also enhancing our milk powder manufacturing capacity with a new factory of 150 MT per day production capacity coming up at Gandhinagar, along with another new milk powder plant at Himmatnagar. We are also putting into effect significant capacity expansions for Chocolates and Paneer”.

“We have simultaneously enhanced our distribution footprint by adding 15 new Branch Offices in recent years and expanding our network of distributors, super-stockists and sub-stockists to reach millions of retail shops across the country. We have added another 1,250 distributors during the year, he added.

“We have also further strengthened our rural reach with 181 Super-stockists covering 3,600 interior markets. Using information technology, our common distributor management software application seamlessly integrates all our distributors into our business, enabling us to track and thereby enhance shop-wise sales, across the country”, sodhi underlined.



“This year, we leveraged heavily on our technological capabilities and data analytics to enhance communication with our channel partners and expand our distribution reach”.

“Product innovation has always been part of our DNA and has inspired us to launch more than 50 new products in the market during the last three years”, added the Managing Director.