



Amul: Co-operative of 3.6 million rural Entrepreneurs

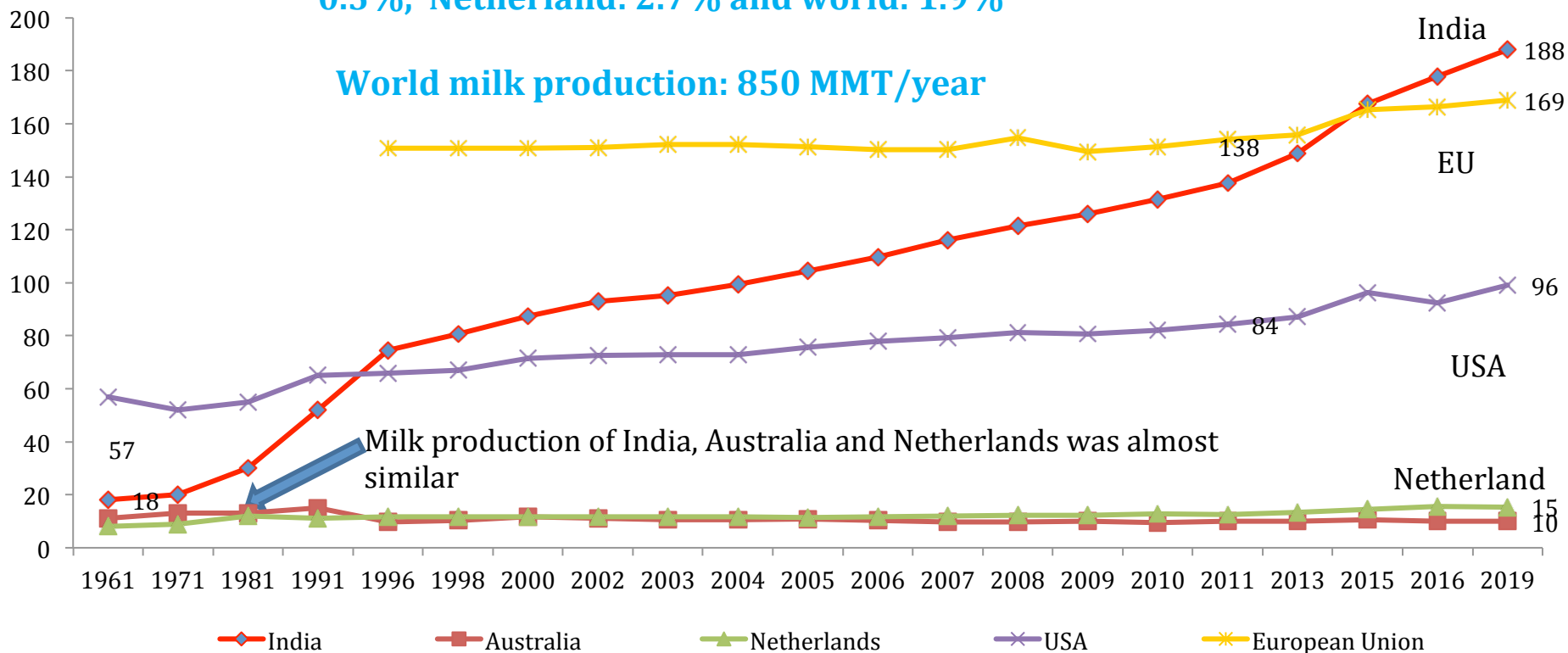
**Dr. R S Sodhi
Managing Director
GCMMF (Amul), Anand, Gujarat, India
12th January 2021**

Milk production status since last 60 years

In MMT/year

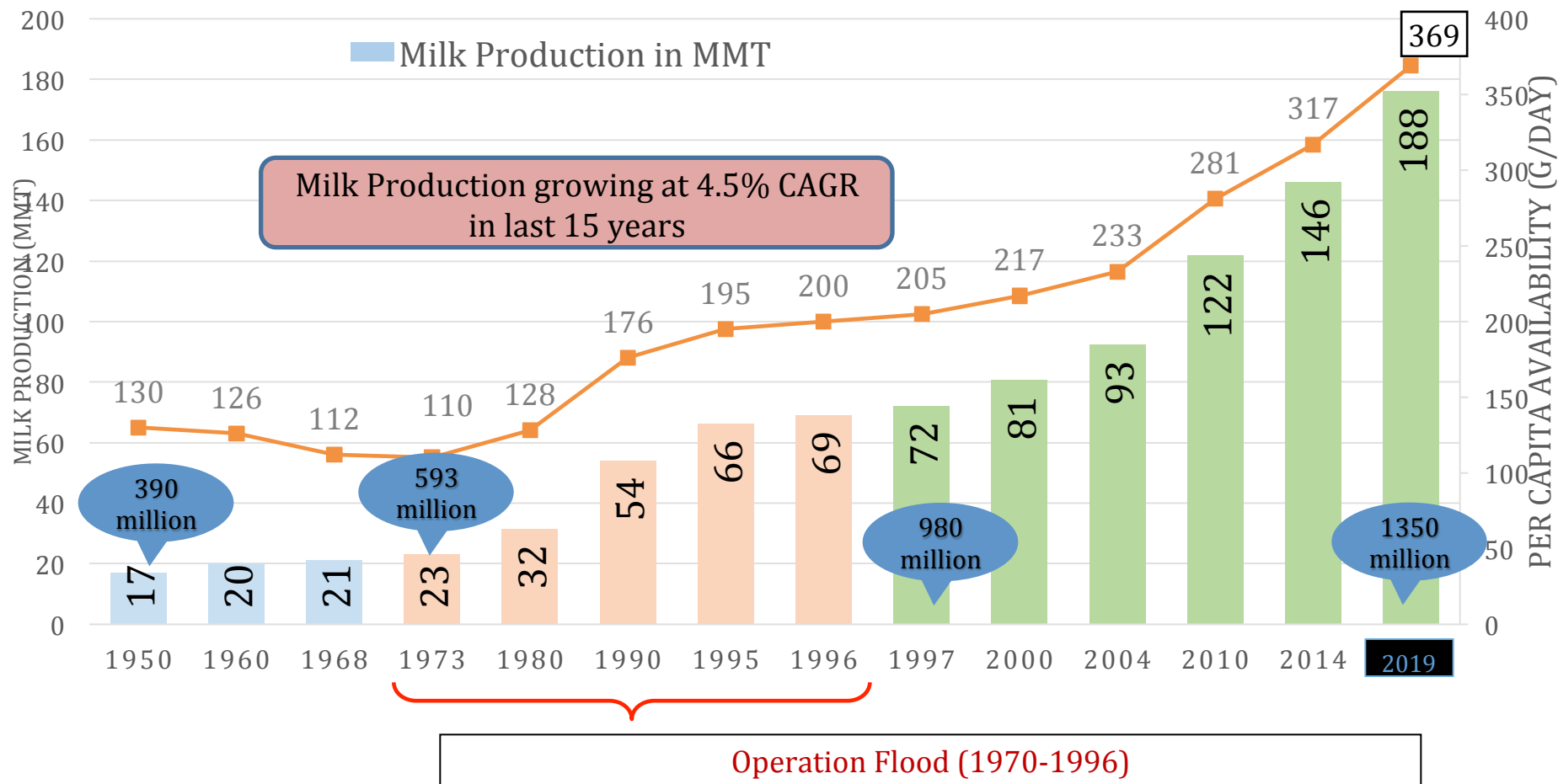
CAGR of last 15 years: India: 4.9%, USA: 2.3%, EU : 1.3%, AUS: 0.5%, Netherland: 2.7% and world: 1.9%

World milk production: 850 MMT/year



Source: FAO

Milk Production: Total & Per Capita



Amul ensures that 80% - 86% of consumer's rupee goes back to its dairy farmers

India

Indian dairy cooperatives ensure that their farmers get 71 to 75% of Consumers Rupee spent on Milk & Milk Products

NZ, AUS and EU

In NZ, producers get 30 % of consumers' money spent on Milk and Milk products while in the Australia and in EU, producers get only 27 % and 40 % respectively.

Amul

MARKET

Model



SALES REVENUE

SALES REVENUE

SALES
REVENUE

SALES
REVENUE

STATE MILK FEDERATION

MILK
&
MILK
PRODUCTS



DISTRICT MILK UNIONS

MONEY

MILK

MONEY

VILLAGE DAIRY COOPERATIVE SOCIETIES



MEMBER PRODUCERS

**GCMMF
in
Gujarat**

**28 State
Fedns.
in India**

**18 District
Unions in
Gujarat**

**240
District
Unions in
India**

**18,562
VDCS in
Gujarat**

**1,90,516
VDCS in
India**

**3.6 million
in Gujarat**

**16.9 million
in India**

Bonus

Dividend on
Shares

Addl.
Price
Diff.

Cattle
Feed

Rural Health
Schemes

Vet. & AH
Services

Scale of Amul operations



29 Million Litres Milk
Procurement/Day from
3.6 Million Farmers
Milk procurement from
13 more states of India

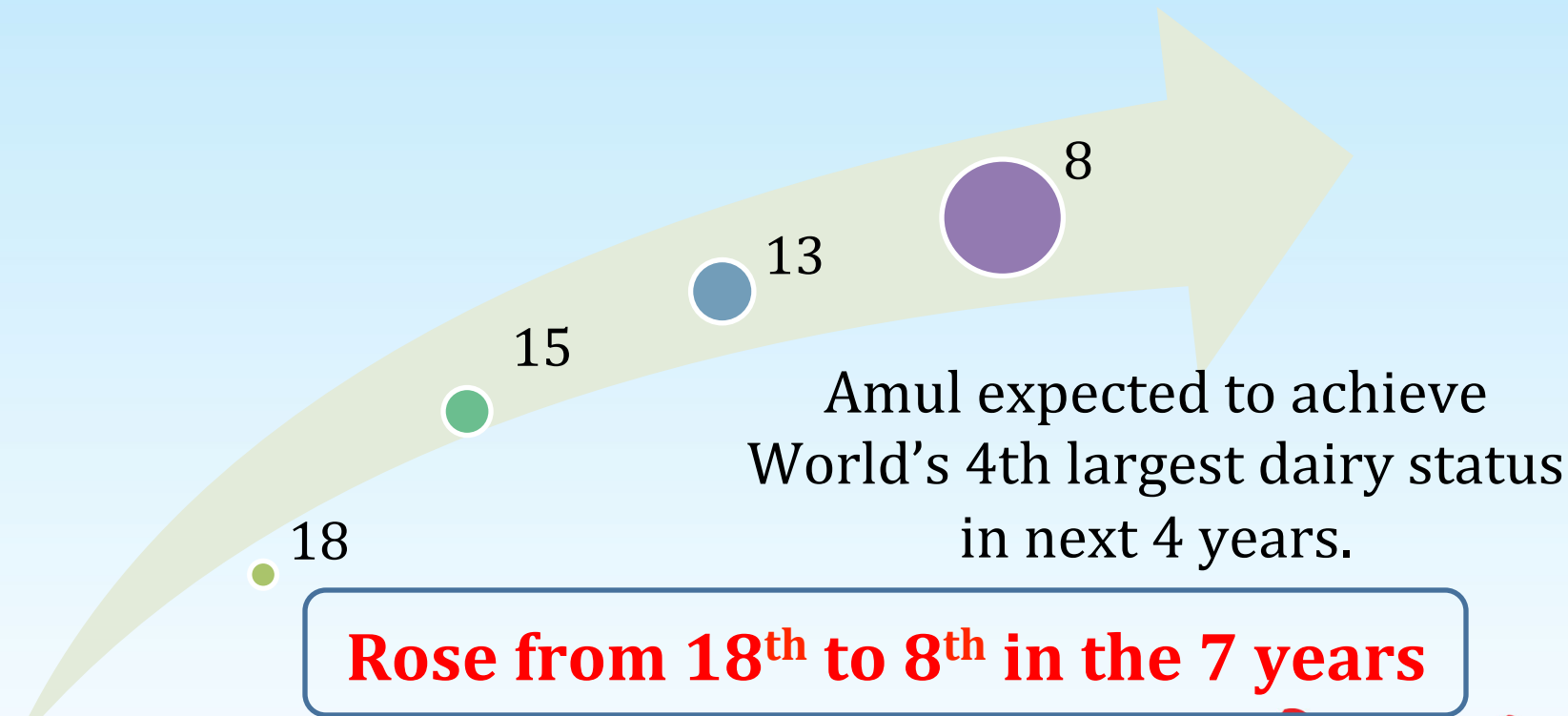


8th largest dairy
processor in the world
with capacity of **38**
Million Litres/day



7 Billion USD,
CAGR of **17%** and
is India's largest food
brand

Amul : 8th largest dairy company in the world



Source: IFCN - International Farm Comparison Network 2018

Amul

II. Structure of the Organization (Value Chain controlled by milk producer members)

To serve the interests of milk
producer

Value for many

Give more to
earn more



To provide quality products to
consumers

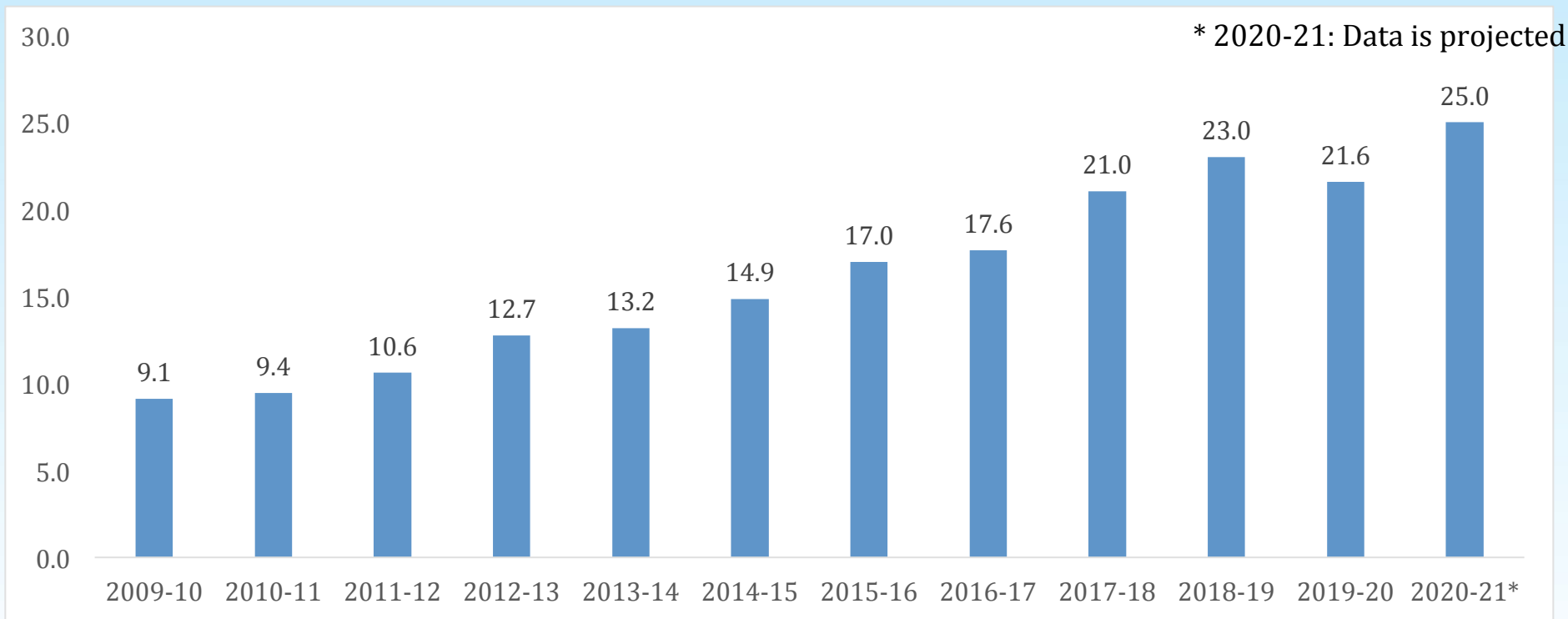
Value for money

Am

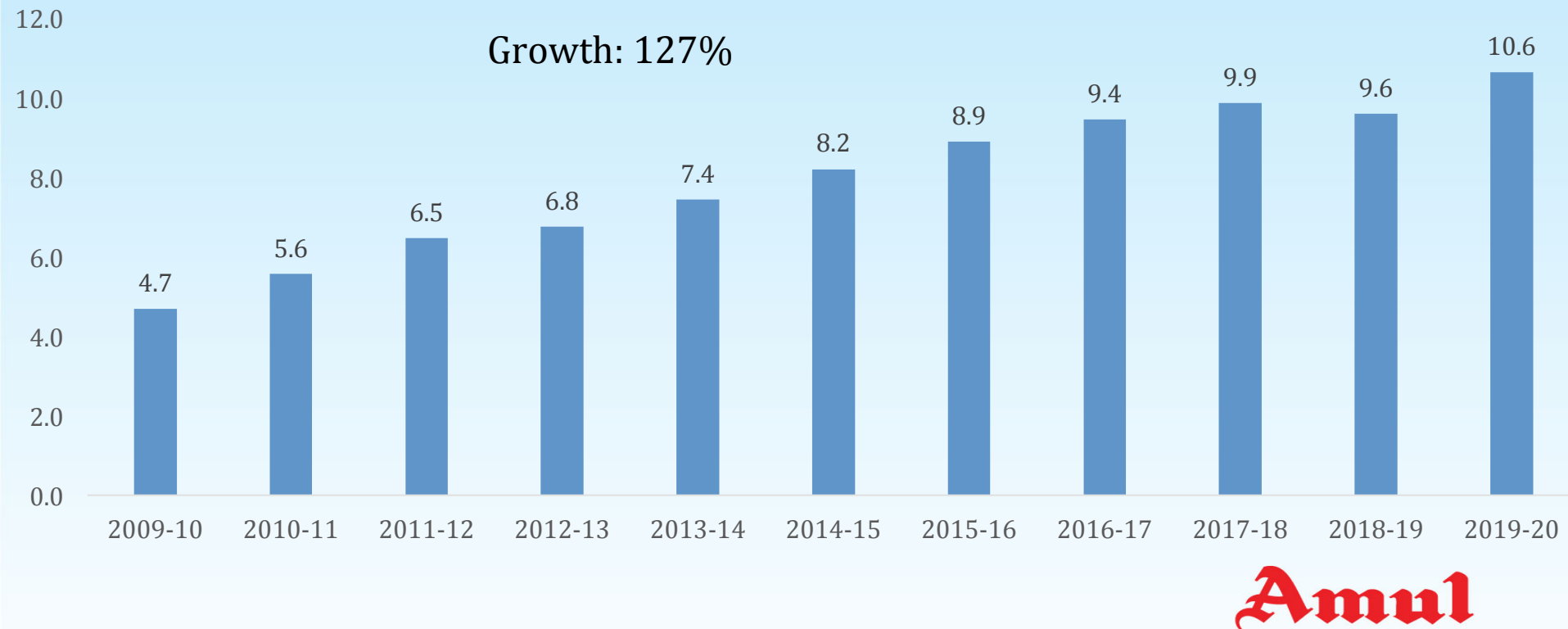


Milk procurement by Amul (Million Kg Per Day)

Growth: 138%



Milk Price paid to farmers by Amul (USD per Kg Fat)



Cashless transaction immediately at village level

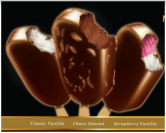


Supply Chain



4 High Traffic Distribution Highways

FROZEN



CHILLED



AMBIENT



FRESH



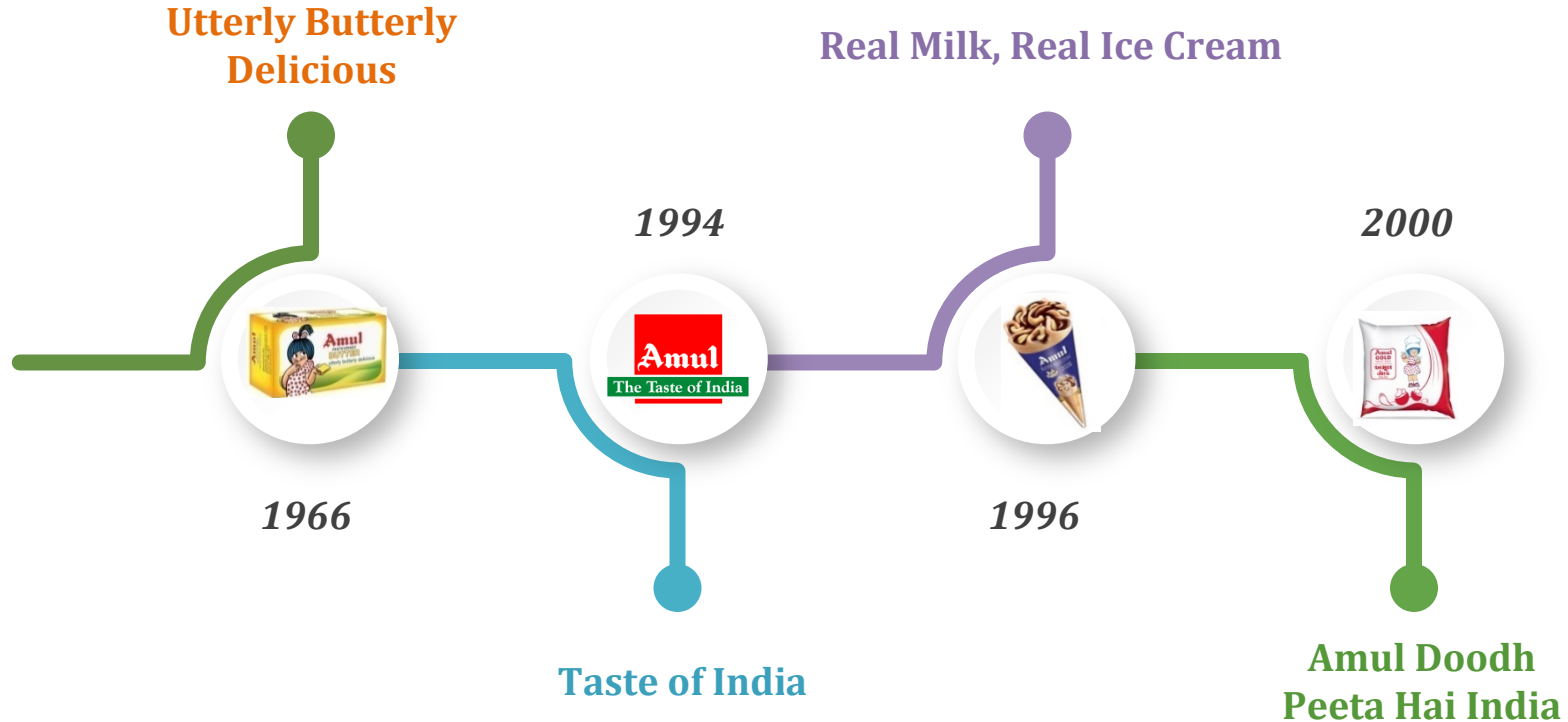
71 Sales Offices & Stock Points + Exports

10,000 Distributors

10,00,000 Retailers across India



Consistency in Communication





2 New Products every month. 101 in 4 years



Amul : Key Success Factors

Value-chain
control with
farmers

Value for money
to consumers

Maximum
percentage of
consumer's
money to farmers

Affordable nutrition

Focus on
building a strong
brand for dairy
cooperatives

Employment with dignity

Sustainable income

Remunerative
prices to
farmers

Women Empowerment

Technological &
Marketing
innovations

A model for developing countries



Thank you

sodhi@amul.coop

+91 9824011058