

# A CASE STUDY OF DAIRY COOPERATIVES OF GUJARAT STATE

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## 1.INTRODUCTION

India is the world's Biggest milk producing country. Its milk Production for the year 189.9 million tones which is around 21% of the world milk production. There are around 16.5 million dairy farmers registered with around 1,85,921 Village Dairy cooperatives in the country. Majority of the milk producers belong to small and marginal category with only 2 to 5 animal holding. The leading milk producing states are – Uttar Pradesh, Andhra Pradesh, Madhya Pradesh, Rajasthan and Gujarat. The NDDB has already established the National Dairy Plan (NDP-I), Dairy Entrepreneurship Development Schemes, Dairy Infrastructure Development scheme (DIDF), AHIDF etc. Since the 1970s, the contribution of the livestock sector to India's agricultural gross domestic product has been rising, and this show one of the most important changes in the agricultural economy structure of India.

## 2.OBJECTIVE OF THE STUDY

India is the world's largest milk producing country. Its milk Production for the year 2022-23 stood at a mammoth 210.94 million tones which is around 22% of the world milk production. This research gives a comprehensive district-wise analysis of milk production in Gujarat during the 2022-23 period, focusing on cow, buffalo, and goat milk. Gujarat, a leading dairy state in India, produced a total of 18.261 million metric tonnes of milk, importantly giving to the nation's milk supply. The research was based on secondary data obtained from various published reports of Gujarat Government's Animal Husbandry Department, NDDB, AMUL, GCMMF etc. and papers of reputed institutions and authors. The findings of the study show that Gujarat's dairy industry in 2022-23 was known by a few key districts, with Banaskantha leading in overall milk production. Crossbred cows were the basic contributors to cow milk, while buffaloes played a important role in many districts, especially in Banaskantha and Kheda. Goat milk production, although less meaningful, was concentrated in districts like Dahod and Kachchh. The study feature the regional polling of milk production, driven by, robust dairy infrastructure, favorable climatic conditions and cooperative systems. Crossbred cows, indigenous cows, and buffaloes all played important roles in the Gujarat state's dairy sector.

## 3.RESEARCH METHODOLOGY

The data for the research study was took from secondary sources including the Annual reports, Websites, published articles, etc. The data was collected mainly for the Dairy Cooperatives of Gujarat state which is represented by Amul. The data was organized in different parts of the Dairy value chain and it was analyzed in main of its contribution regarding efficiency of Dairy Sector.

## 4.DISCUSSION

### 4.1 Side of Gujarat

Cooperative unit is a business entity with certain eternal values. It is voluntary and democratic association of human being with general needs fore promoting their economic interests on basic of equality and equity. It show collective action and collective responsibility. In a co-operative every member gets equal opportunities. It is a socio economic organization and has certain distinct features which differentiate from other form of economic entities. Gujarat is the pioneering state for milk production in the co-operative sector. In addition to Gujarat, the Gujarat Cooperative Milk Marketing Federation (GCMMF) sells its goods throughout India under

the Amul and Sagar brands. Additionally, milk and milk products are sold in the districts by district-level milk cooperative societies. 91 percent of Gujarat's milk production can be processed. When it comes to milk production, GCMMF is the primary organization in the cooperative sector.

The success of Kaira of Co-operative Milk Union (AMUL) can be traced to the fact that it began with a clearly defined blueprint for a dairy co-operative marketing structure that would link millions of milk producers with urban consumers. The main factors that contributed to AMUL's success are: (a) political and administrative leadership; (b) the presence of a model live lab; (c) early awareness of pertinent skills; (d) dedicated young professionals; (e) a strong program focused on the market; (f) clarity regarding national priorities; (g) government support for program leadership; (h) the use of extensive technical inputs; (i) the availability of funds; (j) readiness for multiplication; (k) internal self-balancing; (l) resource transfer to farmers; (m) the ability to identify improvements, etc. (Kurien, 1997). Due to AMUL's efforts, milk of higher quality is now produced sustainably and continuously, and it is accessible to consumers in the majority of India's cities.

Although AMUL realized that a large scale network involving entire gamut of milk producers and consumers could pose a danger of failure due to lack of control over required resources, it also envisaged the advantage of creating such momentum that was needed to bring more people under cooperative folds involving producers of milk and consumers. In areas that fall under the cooperative umbrella, AMUL has effectively decreased social and economic inequality.

In order to achieve its primary objective, quite often GCMMF allocates significant quantity of milk to manufacture low value products at the expense of profits that could have been generated otherwise from manufacturing of high value products. In areas that fall under the cooperative umbrella, AMUL has effectively decreased social and economic inequality.

Though supply chain in India is very complex, the cooperative network is successfully functioning wherever there exist interlocking arrangements as noticed in the case of GCMMF. The multinational agencies and other small and big players should learn lessons from the growth model presented by AMUL that helps and markets to grow not only horizontally vertically but also exponentially based on large number of buyers and sellers represented by all sections of rural and urban masses of India.

#### **4.2. Gujarat Cooperatives noteworthy initiatives**

Gujarat is a leading milk producing state and has contributed significantly in the overall success of the dairy sector of the country. Milk production in the state has increased from 4.4 Million tones in the year 1994 to 12.2624 million tones in the year 2015-16. The state contributes to around 8% of milk production in the country. The per capita availability of milk in Gujarat is impressive 506 gms/day. According to the 19<sup>th</sup> livestock census -2012 All India Report, Gujarat had 9984 thousand cattle and 10386 thousand buffalo population, which comes to around 5.23% and 9.55% of cattle and buffalo population of the country.

#### **4.3 Establishment of bio-CNG plant by Amul dairy**

The Kaira District Co-operative Milk Producers Union Limited popularly known as Amul Dairy has become the first in India's food industry to start a fully automated bio-CNG generation and bottling plant to utilize energy from its plant's waste. Earlier, the dairy union used to flare the biogas into the Atmosphere by burning it.

#### **4.4 Rural Sanitation programmers**

AMUL was awarded by Aaj Tak for health and sanitation work in Gujarat on 27th Aug 2013. In 2010 Amul, with the help of the National Housing Bank, piloted the safe sanitation programmed by constructing 5000 safe sanitation systems in selected villages. Later, the demand for household sanitation systems increased so Amul had to extend its operation. Amul Dairy has presented a novel scheme for total rural sanitation and set a target for itself whereby not a single milk producer will attend to nature's call in the open. The Dairy with the support of District Rural Development Agency (DRDA) will provide interest free loans to its milk producers in Anand and Kheda districts to set up 'Pucca' toilet blocks, which will not only help women milk producers avoid embarrassment but will also ensure hygiene. In five years' time, dairy wishes to achieve the target of providing 100 percent toilet facilities in all villages where Amul has a milk society.

#### **4.5 Plantation Programmers**

The Village Dairy Cooperative Societies of Gujarat as a mark of honor for our nation decided to conduct such event on every Independence Day and accepted 15th August (Independence Day) as a "Green Revolution Day by A forestation to Protect Mother Earth from Pollution, Climate change and Global Warming".

#### 4.6 Awards and Recognition

The GCMMF has received various awards such as “Green Globe Foundation Award in the manufacturing category at the Delhi Sustainability Development Summit in 2012 organized by TERI and United Nations Environment Project. This effort to provide green cover to the earth was also acknowledged when the state level apex body of Gujarat Dairy Cooperatives - GCMMF received seven successive prestigious "SRISHTI's G-Cube Award"-2007, 2008, 2009, 2010, 2011, 2012, 2013 and 2015 for Good Green Governance in the "Service Category". In the year 2014, Amul green movement was honored with the Hercules Category Award by Gujarat.

#### 5.CONCLUSION

A big number of Indian population is still connected with the rural and agricultural economy. Hence, the dairy and Food processing plants of the country should come up with suitable strategies to curb the environmental pollution and at the same time Increase the farmer's income. A few good and successful initiatives like Bio-CNG plant, Plantation, Solar Cooperatives, etc. can be very helpful in this regard. The producer members of GCMMF have certainly set an example for all the cooperatives and other institutions to turn India green in the era of Global warming and Environmental crisis. When 3.6 million dairy farmers of Gujarat have planted 733 lakh trees in just ten years and are planning to plant more trees every year, they are doing an invaluable - truly Amul - service to the society.

Gujarat Cooperative Milk Marketing Federation (GCMMF) is India's largest food products marketing organization. It is a state level apex body of milk cooperatives in Gujarat which aims to provide remunerative returns to the farmers and also serve the interest of consumers by providing quality products which are good value for money.

Village dairy cooperative societies (DCS) are constituted by individual milk producers or dairy farmers. The membership is open to any farmer who buys a share and commits to sell milk only to that society. Each society collects milk from members' every day through its collection centre and makes payment to them based on quality of produce, which is tested for fat and solids-non-fat contents. Each year a portion of the profit earned by the society is paid to the members as a patronage bonus based on the total quantity of milk proceed by it.

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