

Report on
ANNUAL GENERAL BODY MEETING
& the Brainstorming Session on
GROWTH OPPORTUNITIES FOR DAIRY INDUSTRY IN GUJARAT
March 10, 2018

Indian Dairy Association (Gujarat Chapter) organized the Annual General Meeting (AGM) on 10th March 2018, at SMC Collage of Dairy Science, AAU, Anand. The AGM was followed by a brainstorming session on “Growth opportunities for dairy industry in Gujarat”. About 150 professionals and IDA members from various dairy member unions of Gujarat, academicians and private players attended the AGM and the brainstorming session to gain insight on what are the growth opportunities, challenges and way forward for dairy industry in Gujarat.



The AGM started with welcoming SEC and CEC members of IDA on Dias. The meeting started with welcome address by Dr JB Prajapati, Vice Chairman, IDA (Gujarat Chapter) and Principal & Dean of SMC College of Dairy Science. He showed his pleasure in sharing his views about the role of Gujarat chapter and active participation of various stakeholders in different programs organized by the chapter. The chapter stated by the pious hands of Dr V. Kurien on 27th January 1998 has played a key role in proving common platform for all sectors, may be it is private, cooperative, government, academic institutions or the farmers.

Dr. K. Rathnam, Chairman of the Gujarat Chapter and MD, Amul Dairy applauded the role of IDA (Gujarat Chapter), and also appreciated the IDA team to organize AGM and various seminars on very relevant topics. He said that our commitment is that we will continue to organize such seminars so that members, farmers and dairy professional are benefitted. To strengthen Gujarat Chapter, he suggested to work on enrollment of more members and improve the participation from industries. Shri Nishith Baxi, MD, Dudhsagar Dairy, Mehsana spoke on the occasion that we should take this as an opportunity to be more progressive in the future, and focus on reducing cost and increasing efficiency of all our technologist across industry. Shri R. S. Sodhi,



member of CEC and MD, Amul applauded that Gujarat is the torch bearer of Indian Dairy Industry. He expressed his happiness that Gujarat chapter of IDA is so much active. There are number of areas on which we can debate, but the most important is adulteration, because besides the health issues, it affects the consumer trust. He narrated the story of China Dairy Industry for melamine and its effects on the reputation of the industry.

Dr. Amit Patel, joint secretary presented the AGM activity report for 2017-18. The chapter conducted three seminars for Dairy farmers, Veterinarians, and for milk procurement experts. SEC met 7 times in a span of 15 months. Shri Jaydev Patel, Treasurer presented the financial report for 2017-18 and proposed budget, which was unanimously approved by the general body. Dr. Rathnam suggested that Gujarat chapter would like to host the next Dairy Industry Conference and also wish to organize a seminar in collaboration with International Dairy Federation.

There were four distinguished speakers in the brainstorming session. Shri Pavan Kumar, DGM (Mktg.), GCMMF talked on future marketing strategies to escalate dairy growth in Gujarat. He recalled his discussions with learned and wise farmers as board members of GCMMF. He reflected on the falling farm gate prices across world, still the rise in milk prices in Gujarat by about 15%. It is due to the undisputed marketing wizard, Dr. Kurien, who focussed on consumer values and branding. He said that we have been insulated with price fluctuations because of our marketing efforts and direct sale of value added products to the consumers. He appreciated that most of the Dairy plants in Gujarat are investing in infrastructure development and strategy innovations, and emphasized on expanding the global reach, like for ghee, which is exported to more than 30 countries. He stressed on three major aspects of dairy marketing strategies. The first being the sales of ethnic Indian ancient products, in which brand Amul stands at an advantage point. Amul was the first one to tell the world that Paneer can be branded, packaged and frozen, and same thing has been done with Dahi also. Unfortunately, the entire dairy industry has missed out on Khoa and we couldn't tap the more than 15 MT lakh tons per annum of Khoa market in India. The second big opportunity he underlined need for work on milk based ethnic Indian sweets, like work done for Rasgulla. Thirdly he focussed on value added ready to eat product.



Shri G. G. Shah, DGM, NDDB, delivered a talk on Government strategies to enhance milk production in Gujarat. He discussed of the growth trend of milk production across world from 1965 to till date and expressed concern of what will be the way forward as the farmers are concerned of reduction in milk prices everywhere. As we continue to pay higher and so the entire milk flow has come to the co-operatives in west world, about 16% higher milk then last year same period. The demand and supply gap is of about 38% which is filled by

commodities. Whereas, he highlighted that, from April 2017, there is no decline in milk production, and as there are 4% higher stocks of SMP at Europe and USA, and so prices are not going to go up anytime soon. Discussing the structure of global dairy trend, he discussed of milk exports, major players and deficit of milk across globe. Highlighting the fact that cost of milk production as well as procurement is lowest in India, and with most of the neighbouring countries being milk deficient, the future of milk industry in India is really good. He concluded with the fact that we have matured dairy industry rooted deep down to grassroots and now its golden period is going to start after present temporary setback.

Dr. Rajesh Subramanian, MD, IDMC Ltd, talked on status of dairy equipment manufacturing. He began with key facts of Indian Dairy Industry with focus on India being number one with a CAGR of 5%. Focusing on the technologies available, he emphasized on huge opportunity for manufacturers in India, especially the farm related technology and milk procurement technologies. We do put up plants and do business, but this is where there are huge imports. This is done to increase sizes, high automation, and thus we urgently need Indianization of technologies, where IDMC has already doing pioneer work. He talked about bulk coolers, milking machines and milking parlours, where huge opportunity lies. He also told that the manure handling and bio-gas generation also give opportunity to the Indian manufacturers. While doing SWOT analysis of Indian Manufacturers in Dairy Industry, he expressed concern of low investments in R&D. Throwing light on the work NDDDB and few dairies are working is on renewable energy but are not yet very successful. There is also a need of increased collaboration with research institutes.

Shri Vijay Kapadia, AM (QA), Vasudhara Dairy, Valsad talked on significance of quality in dairy business. He emphasized that quality changes from person to person and time to time. The current major quality concern of milk is adulteration. Saying this, he then gave



example of the clean milk initiative they followed at Valsad milk union from 2004 onwards, where they worked backwards to ensure clean milk production. They brought awareness and ownership in milk producers through meetings and knowledge sharing at DCS of what are the quality standards at farm level and at International level. He then highlighted on the BMC provided by the dairy, the ownership is of dairy and thus the quality of milk reaching dairy is maintained. We worked on the good resources and commitment of employees.

This was followed by a discussion session chaired by Dr. K. Rathnam, Dr. J.B. Prajapati, and the eminent speakers. Dr. K. Rathnam added that we are largely unaffected by the price fluctuations, and whatever stocks of SMP are there, can easily be exhausted within 3 months.

But as there is no proper co-ordination among dairy plants, the small dairies are going to face the heat. He expressed that since Gujarat dairies are giving high prices to milk producers, they are going to stay in future. People are changing now to commercial agricultural farming, and so all dairies must be ready to cater high milk inflow. Dr. Aparnathi highlighted the work done by SMC College on standardizing the methods of adulteration detection under various conditions. Lastly, Dr. Jarita Malik proposed the vote of thanks.