AHMEDABAD UNIVERSITY

A Project Report on

Beat Restructuring of Distribution Network Channel

For,

Gujarat Co-operative Milk Marketing Federation Limited

Amul SAGAR

Towards The Partial Fulfillment of
Post Graduate Program in Master of Business Administration
(2013-15)

Under the Guidance of,

Prof. Amit Saraswat
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(MBA 2013-2015)
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Amrut Mody School Of Management
Post Graduate Institute of Management

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ACKNOWLEDGEMENTS

I am greatly indebted to Prof. Amit Saraswat for his valuable & inspiring guidance in the preparation of and learnings from this project. I would also like to thank him for his valuable guidelines for this project work and to provide me the opportunity to work with an esteemed organization. I express my deep sense of gratitude and heartfelt appreciation to Amrut Mody School of Management, Mr. Mehul Srivastawa, Mr. Deven Bhatt and Mr. Rajesh Mehta, for their valuable suggestions and encouragement during my project work, who helped me in my project and worked closely with me and explained the enhanced points of management drafted portions of the work.

I express my heartfelt thanks to my parents and my sister, and cheerful appreciation to my dear friend, Mr. Rushi Langaliya, for his co-operation and assistance during my project work tenure.

Last but not the least, I thank to all those who are directly or indirectly involved in helping, guiding and supporting me while I was carrying out my project work.

Paras Pradip Adesara

ABSTRACT

In this Summer Internship Project, we have carried out a project of a dairy co-operative, AMUL, in western India that has developed a successful model for doing business in large emerging economy. It has been primarily responsible, through its innovative practices, for India to become world's largest producer of milk and other dairy products and to reach to end user to cater a better service to them on time when they required.

This project includes the understanding and analysis of new modern supply chain management and logistic system of FMCG (Fast Moving Consumer Goods) industry and how they carried out the solution for system vulnerability. It also includes the complete distribution network system to cater the end user consumer with availability of all fresh products when they demand.

The project basically focused on the restructuring of the beats of the distribution channel network which has been divided in segments to cater various consumers to meet their needs and requirements. This project work comprises of the data analysis of the various beats and based upon the analysis of data, the proposed restructuring of beats with respect to market demand, sale trend, competition, beat requirements and priority.

In an emerging economies like India and China, different industrial sectors may be at different stages of development. In some of the sectors all of the environmental characteristics faced may not hold. However, a subset of strategies followed by AMUL – GCMMF Ltd. Would still be very useful. Thus, firms that are contemplating addressing large undeveloped markets or have an intention of taking advantages of extensive but marginal supplier base would still benefit.

This summer internship project has been carried out in a form of group of two members from the institute. So my self Paras Adesara (A 02) and Rushi Langaliya (A 19) were in the same group and did this project together for AMUL – GCMMF Ltd.

DECLARATION

I hereby declare that Summer Internship Project entitled **Beat Restructuring of Distribution Network Channel** submitted by me is based on actual work carried out by me under the guidance and supervision of Prof. Amit Saraswat from Amrut Mody School of Management and Mr. Mehul Srivastawa (Senior Executive – Sales), Mr. Deven Bhatt (Senior Marketing Executive) from AMUL – GCMMF (Gujarat Co-operative Milk Marketing Federation) Ltd., Ahmedabad. Any reference to this work done by any other person or institution or reference or any material obtained from other sources have been duly cited and referenced.

Paras Pradip Adesara

Section A, MBA 2013-15
Amrut Mody School of Management
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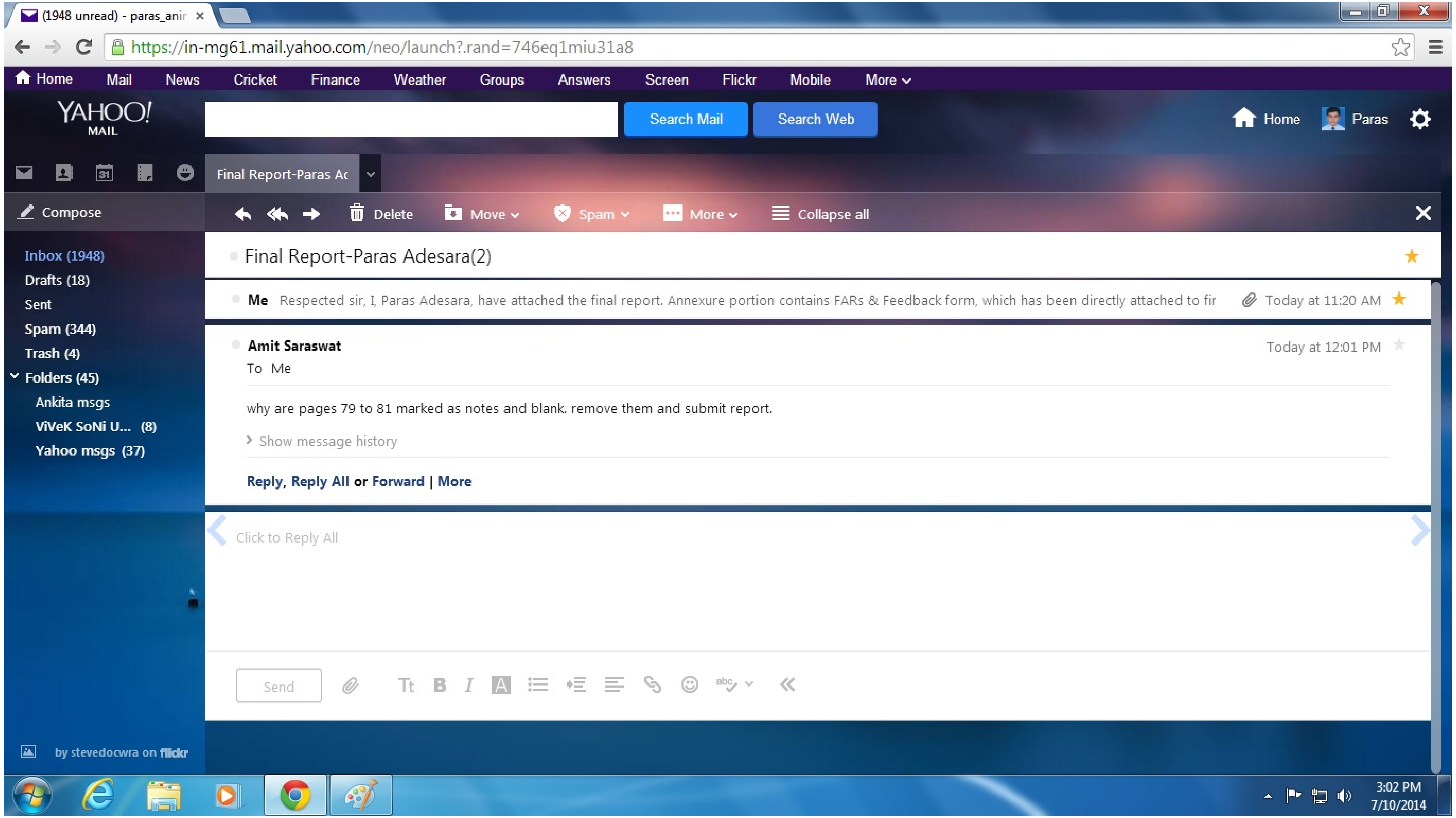
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A dairy cooperative, AMUL (Anand Milk Union Limited) – GCMMF (Gujarat Cooperative Milk Marketing Federation) Limited In western India that has developed a successful model for doing business in large emerging economy. It has been primarily responsible, throughout its innovative practices, for India to become world's largest producer of milk.

Many of largest emerging economies have underdeveloped markets and fragmented supply bases. Market failures for many of these small producers are high. On other hand, the size of both, markets and the suppliers is large. As a result, firms that identify appropriate business strategies that take into account these characteristics are more likely to succeed in these markets.

The following are some key messages from AMUL's success

- Firms in these environments need to simultaneously develop markets and suppliers to synchronize demand and supply planning.
- Develop or become a part of network of producers to obtain scale economies.
- Focus on operational effectiveness to achieve cost leadership to enable low price strategy.
- Central focus to bring the diverse element together and a long term approach are required.

In emerging economies different industrial sectors may be at different stages of development. In some of the sectors all of above environmental characteristics faced may not hold. However, a subset of strategies followed by AMUL would still be very useful. Thus, firms that are contemplating addressing large underdeveloped markets or have an intention of taking advantages of extensive but marginal supplier base would still be benefitted.

Introduction

Since the turn of 19th century, cooperatives have existed as dominant forms of organizations in the dairy industry around the world. Sometimes they have played a role of developing infant industry while at other times they have been used to strengthen weak production bases in an environment where market failures tends to be higher for marginal producers. In some cases, a network of small producers have organized themselves to better market their products. Management of these cooperatives have also led to some interesting managerial insights for managers in emerging as well as developed economies.

Large emerging economies such as India and China, have complexities that range from development of markets, where the largest segments of population is the one which has low purchasing power, to integration of low cost suppliers who are predominantly very small .For firms that aspire to conduct substantial business in such markets, such complexities have to be reorganized and then overcome. The challenge is to understand the linkages between markets and society. This would also require development of a new business model that helps a firm to grow in such environments.

The Kaira district Milk Cooperative Union or AMUL (Anand Milk Union Limited) in India is an example of how to develop a network of firms in order to overcome the complexities of a large yet fragmented market like those in emerging economies by creating value for suppliers as well as customers. AMUL has led the milk dairy revolution in India that has now emerged as one of the largest milk producers in the world.

The AMUL Story

The Kaira District Cooperative Milk Producers' Union Limited was established on December 14, 1946 as a response to exploitation of marginal milk producers in the city of Anand by traders or agents of existing diaries. Producers had to travel long distances to deliver milk to the only dairy, the Polson dairy in Anand – often milk went sour, especially in the summer season, as producers had to physically carry milk in individual containers. These agents decided the prices and the off take from farmers by seasons. Milk is commodity that has to be collected twice a day from each cow and buffalo. In winter, the producer was either left with surplus unsold milk or had to sell it at very low prices. Moreover, the government at that time had given monopoly to the Polson dairy, which was well known butter brand in the country around that time, to collect milk from Anand and supply to Bombay city in turn, which was around 400 Kilometers away from there. India ranked nowhere amongst milk producing countries in the worl in 1946.

The producers of Kaira district took advice of nationalist leaders, Mr. Sardar Vallabhbhai Patel (later became the first Home Minister of Free India) and Mr. Morarji Desai (later became the Prime Minister of India). They advised the farmers to form a cooperative and supply directly to the Bombay milk schemes instead of selling it to Polson dairy. Thus the Kaira district cooperative was established to collect and process milk in the district of Kaira. Milk collection was decentralized, as most producers were marginal farmers who would deliver 1-2 liters of milk per day. Village level cooperatives was established to organize the marginal milk producers in each of these villages. The first modern dairy of the Kaira Union was established at Anand, which popularly came to be known as AMUL dairy after its brand name. The new plant had the capacity to pasteurize 3,00,000 pounds of milk per day, manufacture 10,000 pounds of butter per day, 12,500 pounds of milk powder per day and 1,200 pounds of casein per day. Indigenous R&D (Research and Development) and technology development at the cooperative had led to the successful production of skimmed milk powder from buffalo milk, the first time on a commercial scale anywhere in the world. The foundations of a modern dairy industry in India had just been lad as India had one of the largest buffalo population in the world.

In the year of 2000. The dairy industry in India and particularly in the State of Gujarat looks very different. India has emerged as the largest milk producing country in the World.

Country	**Milk Production (Million Tonnes)**		
	1961	**1999**	**2000**
Japan	2.10	8.46	8.50
Canada	8.32	8.20	8.10
Europe	13.40	21.30	21.43
USA	57.02	73.08	76.01
Australia	6.28	10.49	11.17
New Zealand	5.22	10.88	12.23
India	20.38	78.90	81.08

Gujarat emerges as the most successful state in terms of milk and milk product production through its cooperative dairy movement. The Kaira district cooperative milk producers' union limited, Anand becomes the focal point of dairy development in the entire region and AMUL emerges as one of the most recognized brands in India, ahead of many international brands.

Starting with a single shared plant at Anand and two village cooperative societies for milk procurement, the dairy cooperative movement in the state of Gujarat had evolved into a network of 2.12 million milk producers (called farmers) who are organized in 10,411 milk collection independent cooperatives (called village societies). These village societies (VS) supply milk to thirteen independent dairy cooperatives (called unions). AMUL is one such union. Milk and milk products from those unions are marketed by a common marketing organization called federation. His common marketing organization is known as Gujarat Cooperative Milk Marketing Federation Limited (GCMMF). It is the marketing entity for the products of all unions in the state of Gujarat. GCMMF has 42 regional centers in India, serves over 5, 00,000 retail outlets and exports more than 15 countries. All these organization are independent legal entities yet loosely tied together with a common destiny. GCMMF was ranked amongst the top ten FMCG (Fast Moving Consumer Goods) firms in the country while AMUL was rated the second most recognized brands in India amongst all Indian and MNC (Multi-National Corporations) offerings.

Interestingly, the Gujarat movement spread all over the India and similar structure was replicated. Two national organizations, The National Dairy Development Board (NDDB) and National Cooperative Dairy Federation of India (NCDFI) were established to coordinate the dairy activities through cooperatives in all the states of the country. The former (NDDB) provides financing for development while latter (NCDFI) manages a national milk grid and coordinates the deficit and surplus of the milk and milk powders across the states of the India. In early 90s, AMUL was asked by the Government of Sri Lanka to establish a dairy on similar lines in Sri Lanka, while Polson dairy folded up in 1960s, the cooperatives are faced with new competition in liberalizing India – from Multi-National Corporations (MNCs) that brought in new and improved product portfolio, international network and immense financial support. The cooperatives face new challenges that test the robustness of their approach and their commitments to the movement and a new style of management thinking.

Today, AMUL is a symbol of many things such as,

- A promise to member farmers who are assured a guaranteed purchase of all the milk that they have produce at pre-determined prices.
- High quality products sold at reasonable price to consumers.
- Developing and coordinating a vast cooperative network.
- Making strong business propositions out of serving large number of small and marginal suppliers.
- Triumph of indigenous technology.
- Marketing savvy of farmers' organization.

AMUL and the Excellence

The AMUL experience has attracted considerable interest from the development community predominantly anthropologists, development and agriculture economists and political scientists. Key areas of their enquiry have been the role of AMUL in reducing social and economic inequality in the regions of cooperative, the sociology of cooperation, interface of dairy cooperative and the rural power structures, relation of the State and cooperative and the role of government in in its growth. Surprisingly, AMUL has successfully managed to exercise its independence from the government unlike other cooperatives in India.

AMUL's journey towards excellence is marked by some critical understandings of the business environment in large emerging economies like India where markets have to be developed by combining efficiency related initiatives with increasing the base of marginal suppliers and consumers. The essence of AMUL's efforts were as follows,

- It combined market and social development in an emerging economy. It recognized the inter linkage between various environments that governed the lives of marginal milk farmers and the unmet needs of consumers. It also changed the supply chain paradigm in order to reduce the cost to consumer while increasing the return to the suppliers.

- It realized that in order to achieve their objectives, it had to benefit a large number of people – both suppliers and consumers. While large scale had the danger of failure due to poor control and required more resources, it also had an advantage of creating a momentum that would be necessary to bring more people into the fold and thereby help more suppliers and consumers.

- It also realized that its goal could only be achieved in the long run and this required developing the values in people and processes that were robust, replicable and transparent.

- It also realized that the cooperative would not be independent and viable in the face of competition if it were not financially sound. This implied that AMUL had to develop distinct capabilities that would either deliver competitive advantage to its operations. This would include long term cost containment, world class deployment of technological resources, Research and Development (R&D) and better leveraging of scarce resources.

Industry Orientation

Industry Overview

India is world's largest producer of dairy products by volume, accounting for more than 13% of world's total milk production, and it also had world's largest dairy herd. As the country consumes almost all of its own milk production, India was neither an active importer nor an exporter of dairy products prior to year 2000. However since the implementation of Operation Flood Program, the situation changed significantly and imports of dairy products reduced to very small quantities. From 2001, India has become a net exporter of dairy products and after 2003 India's dairy import has dipped while exports have increased at a fast rate. Yet the country's share in global dairy trade still remains at minor levels of 0.3 and 0.4 percent for exporters and importers respectively. This is due to direct consumption of liquid milk by the producer households as well as the demand for processed dairy products that has increased with the growth of income levels, which we have left little dairy surpluses for export. Nevertheless, India consistently exports specialty products such as casein for food processing or pharmaceuticals. The Indian dairy sector is also different from other dairy producing countries as India place its emphasis on both cattle and buffalo milk. In 2010, the government and National Dairy Development have drawn up a National Dairy Plan (NDP) that proposes to nearly double India's milk production by 2020. This plan will endeavor to increase the country's milk productivity, improve access to quality feeds and improve farmer access to the organized market. These goals will be achieved through activities that focus on increasing cooperative membership and growing the network of milk collection facilities throughout India.

Despite its huge production volume, India nevertheless faces a milk supply gap due to increasing demand from a growing middle class population. Estimation suggests that Indian dairy production is growing at a rate of 4 % per year, yet consumer demand is growing at approximately double the rate. Apart from rapidly increasing demand for milk and dairy products, other reasons such as the increased cattle feed cost and low availability of dairy farm labor in the rural areas have also resulted in increase in the cost of production. On the other hand, the strong pressure from European Markets to open up its market as well as proposed free trade agreement with Australia and New Zealand may also put India's dairy sector in the risk of being jeopardies. In order to maintain the development of dairy industry, focus needs to be placed on several areas. First cost of production has to be reduced through increasing productivity of animals, improve animal health care and breeding facilities and management of dairy animals. Second, Indian dairy industry needs to further develop proper dairy production, processing and marketing infrastructure, which is capable of meeting international quality requirements. Third, India can focus on buffalo milk based specialty products, such as Mozzarella cheese, in order to meet the needs of the targeted consumers.

India is the world's largest producer of dairy producer of dairy products by volume and has the world's largest dairy herd. The industry accounts for around 17% of world's total milk production with an anticipated milk production of 128 million ton, and is also world's largest consumer of dairy products, almost all of its own milk production. Dairying has been regardless as one of the activities that could contribute to alleviating the poverty and unemployment especially in the drought prone and rain fed areas.

Milk production in India has developed significantly in the past few decades from a low volume of 17 million ton in 1951 to 128 million ton in 2012. Currently, the Indian dairy market is growing at an annual rate of 7%. Demand supply gap has become imminent in this due to changing in consumption habits, dynamic demographic patterns and rapid urbanization of rural India. This means that there is an urgent need for the growth rate of the dairy sector to match the rapidly growing Indian economy.

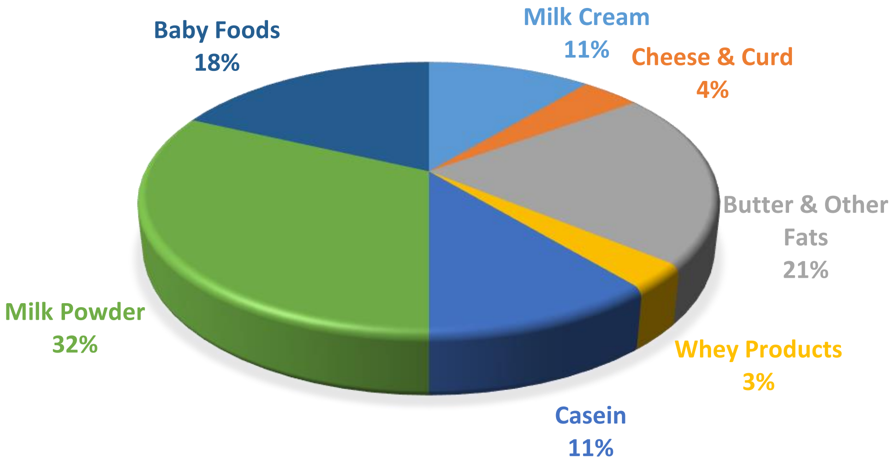
Key Statistics for India's Dairy Industry

Particulars	Statistics
Annual milk production (2011-2012)	117 Million Ton
Annual export volume (2008-09)	70,790 Ton
Share of world dairy production (2012)	17 %
Number of milk producers' cooperative unions	170
Number of local dairy cooperatives	96,000
Number of state cooperatives	15
Per capita consumption	291gms/day
Estimated percentage of dairy farmers in organized sector	30%
% of dairy produce consumed by unorganized sector	70%

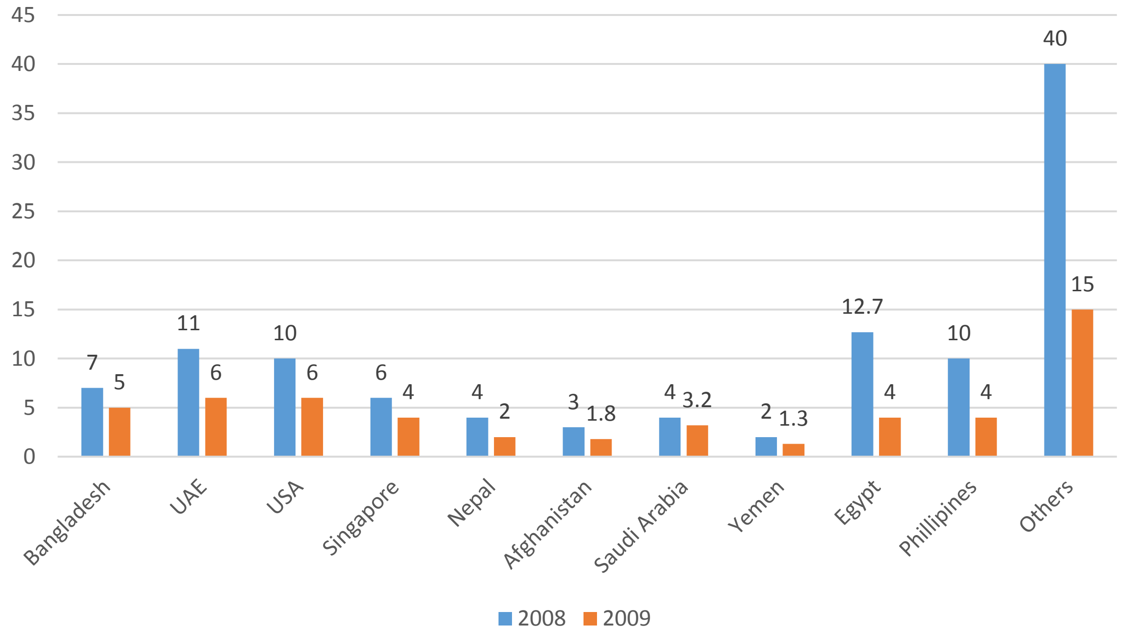
*(*Source : http://www.nddb.org/)*

In 2009, around half of India's total dairy import by volume consists of butter and other dairy derived fats, followed by lactose and milk powder. Import of milk and milk products is permitted without any quantitative limitations, although tariff rate quotas apply and import permits are required. On the other hand, in terms of exports, milk powders and baby food constituted more than 40 % of India's total exports by volume, followed by casein, milk and cream, butter and other fats and other processed dairy products as described in pie chart below.

Almost all of India's dairy exports are meant for Asian and African countries. In Asia, neighboring countries in South Asia and Middle East are main buyers. Around half of the India's exported dairy products are shipped to Bangladesh, United States of America, United Arab Emirates and Singapore. Despite many efforts, India had not been able to breach the European markets, while the market in South America remains untapped. Export figures clearly illustrates that the Indian dairy export is still developing and surpluses are neither systemic nor consistent. However, there future outlook for export of Indian dairy products is rather positive, as indigenous milk products and desserts are becoming popular with the ethnic population spread all over the world and there is a strong likelihood that the export demand for these products will grow.



Indian Dairy Export by Product Types



Indian Dairy Exports by Country in XX-000 tones

*(*Source : http://www.nddb.org/)*

Industry Structure

While it is estimated that around 40 to 50 % of Indian dairy farmers are employed by the organized sectors, approximately 65 % of milk in India is consumed on farm or by the unorganized sectors including local milk vendors, wholesalers, retailers and the producer themselves. Around 46 % of the milk is consumed by the consumers in fluid form and the rest is processed in to various milk products such as butter, yogurt and milk powder.

In the year 2006-07 the total milk production in the country was over 94.6 million tones with a per capita availability of 229 grams per day. The industry had been recording an annual growth of 4 percent during the period 1993-2005, which is almost 3 times the average growth rate of the dairy industry in the world. Milk processing in India is around 35 % of which the organized dairy industry account for 13 % of the milk produced, while the rest of the milk is either consumed at farm level, or sold as fresh, non-pasteurized milk through unorganized channels. Dairy cooperatives account for the major share of processed liquid milk marketed in the India. Milk is processed and marketed by 170 Milk Producers' Cooperative Unions, which federate into 15 state cooperative milk marketing federations. Over the years, several brands have been created by cooperative like Amul (GCMMF), Vijaya (AP), Verka (Punjab), Saras (Rajasthan), Nandini (Karnataka), Milma (Kerala) and Gokul (Kolhapur).

UP, Punjab, Haryana, Rajasthan, Gujarat, Maharashtra, AP, Karnataka and Tamil Nadu are the milk surplus states in India. The manufacturing of milk products in India is obviously high in these milk surplus states. Exports of dairy products have been growing at the rate of 25 % per annum in the terms of quality term and 28 % in the terms of value since 2001. Significant investment opportunities exist for the manufacturing of value added milk products like milk powders, packaged milk, butter, ghee, cheese and ready to drink milk products. Total of 15 to 16 % of the total milk produced in India is processed by the organized market, including dairy cooperatives and private sectors. There were around 770 dairy processing units in organized sectors. Vendors and milk dealers dominate the informal market where the farmers generally procures milk from producers and sells them to urban households, while the latter supplies to private processing units.

Production and Consumption

The Indian dairy sector is different from other dairy producing countries as India places its emphasis on both cattle and buffalo milk. Out of all bovine population in India, 40 percent are indigenous cows, 46 percent are buffaloes and 14 percent are imported European or North American cattle crossbreeds. Out of the nation's total milk production, about 55 percent comes from buffaloes and the remains from dairy cows. Traditionally, buffalo milk has been preferred for its high milk fat content. However as the organized sector procures more milk, dairy cattle becoming more popular due to their increased yields and shorter dry periods. Milk production India show upward trend, it increased from 55.6 million tones in 1991-1992 to 128 million tones in 2011-2012 with per capita availability of 291 grams per day in 2011-2012 which increased from 178 grams per day in year 1991-1992.

Despite of huge production volume, India nevertheless faces a milk supply gap due to increasing demand from a growing middle class population. Estimation suggest that Indian dairy production is growing at a rate of about four percent per year, yet consumer demand is growing at approximately double that rate. In response to increasing strong demand for milk products, the Indian dairy industry is growing its milk production in several years. For example, dairy farmers have responded to increasing dairy product prices by increasing herd sizes. In addition, those farmers working directly with buyers from the organized sectors generally have access to modern extension services, which provides support for the dairy farmers to improve management, feeding, fertility and veterinary care. Many of these extension services provides offer artificially insemination services that aims to further improving yields with new dairy cattle genetics. Artificial insemination services are expected to grow in the future, as the government of India continues to develop protocols for imported genetics products. Finally, commercial dairies are also continuing with strengthening their presence in India.

State wise Estimated Milk Production

No.	States and National Territories	Milk Production in Tones
1	Andhra Pradesh	12088
2	Arunachal Pradesh	22
3	Assam	796
4	Bihar	6643
5	Goa	60
6	Gujarat	9817
7	Haryana	6661
8	Himachal Pradesh	1120
9	Jammu & Kashmir	1614
10	Punjab	9551
11	Rajasthan	13512
12	Sikkim	45
13	Tamil Nadu	6968
14	Tripura	111
15	Uttar Pradesh	22556
16	West Bengal	4672
17	Andaman & Nicobar Island	26
18	Chandigarh	45
19	Karnataka	5447
20	Kerala	2716
21	Madhya Pradesh	8149
22	Maharashtra	8469
23	Manipur	79
24	Meghalaya	80
25	Mizoram	14
26	Nagaland	78
27	Orissa	1721
28	Dadra & Nagar Haveli	11
29	Daman & Diu	1
30	Delhi	502
31	Lakshadweep	2
32	Pondicherry	45
33	Chhattisgarh	1119
34	Uttaranchal	1417
35	Jharkhand	1745

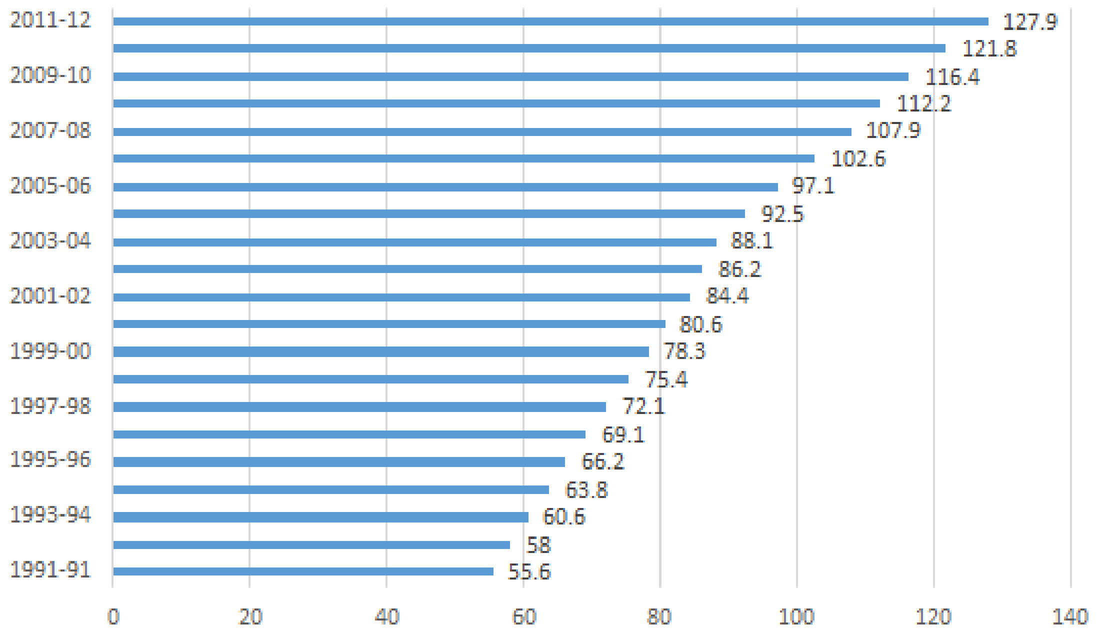
*(*Source : http://www.nddb.org/)*

Milk Production in India

Year	Production (Million Tones)	Per Capita Availability (Grams / Day)
1990-91	55.6	178
1992-93	58.0	182
1993-94	60.6	187
1994-95	63.8	192
1995-96	66.2	195
1996-97	69.1	200
1997-98	72.1	205
1998-99	75.4	210
1999-00	78.3	214
2000-01	80.6	217
2001-02	84.4	222
2002-03	86.2	224
2003-04	88.1	225
2004-05	92.5	233
2005-06	97.1	241
2006-07	102.6	251
2007-08	107.9	260
2008-09	112.2	266
2009-10	116.4	273
2010-11	121.8	281
2011-12	127.9	291

*(*Source : http://www.nddb.org/)*

- Following graph represents year wise milk production in India.
- Data gathered are calculated from year 1991-92 to year 2011-12
- The graph detail shows complete figures indicating milk production in India year on year.
- All figures indicated are in XXX000 Tones.



Year Wise Milk Production in India

*(*Source : http://www.nddb.org/)*

GCMMF – AMUL Overview

Name of the Company	Gujarat Co-operative Milk Marketing Federation Limited (GCMMF)
Head Office	Amul Dairy Road, Anand – 388 001, Gujarat
Depots	45
Brand Name	Amul
Zonal Office	Ahmedabad, Mumbai, New Delhi, Kolkata, Chennai, Guwahati
Form of Organization	Co – Operative
Website	http://www.amul.com/

Gujarat Cooperative Milk Marketing Federation Ltd. (GCMMF), is India's largest food product marketing organization with annual turnover (2012-13) **US$ 2.54 billion. Its daily milk procurement is approx. 13 million lit per day from 16914 village milk cooperative societies, 17 member unions covering 24 districts, and 3.18 million milk producer members.**

It is the Apex organization of the Dairy Cooperatives of Gujarat, popularly known as **'AMUL'**, 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. Its success has not only been emulated in India but serves as a model for rest of the World. It is exclusive marketing organization of **'Amul'** and **'Sagar'** branded products. It operates through 48 Sales Offices and has a dealer network of 5000 dealers and 10 lakh retailers, one of the largest such networks in India. Its product range comprises milk, milk powder, health beverages, ghee, butter, cheese, Pizza cheese, Ice-cream, Paneer, chocolates, and traditional Indian sweets, etc.

GCMMF is India's largest exporter of Dairy Products. It has been accorded a "Trading House" status. Many of our products are available in USA, Gulf Countries, Singapore, The Philippines, Japan, China and Australia. GCMMF has received the APEDA Award from Government of India for Excellence in Dairy Product Exports for the last 13 years. For the year 2009-10, GCMMF has been awarded "**Golden Trophy**" for its outstanding export performance and contribution in dairy products sector by APEDA.

For its consistent adherence to quality, customer focus and dependability, GCMMF has received numerous awards and accolades over the years. It received the Rajiv Gandhi National Quality Award in1999 in Best of All Category. In 2002 GCMMF bagged India's Most Respected Company Award instituted by Business World. In 2003, it was awarded the The IMC Ramkrishna Bajaj National Quality Award - 2003 for adopting noteworthy quality management practices for logistics and procurement. GCMMF is the first and only Indian organization to win topmost International Dairy Federation Marketing Award for probiotic ice cream launch in 2007. The Amul brand is not only a product, but also a movement. It is in one way, the representation of the economic freedom of farmers. It has given farmers the courage to dream, to hope, to live.

Year of Establishment	1973
Members	17 District Cooperative Milk Producers' Unions
No. of Producer Members	3.18 Million
No. of Village Societies	16,914
Total Milk handling capacity per day	16.8 Million liters per day
Milk Collection (Total - 2012-13)	4.66 billion liters
Milk collection (Daily Average 2012-13)	12.7 million liters
Cattle feed manufacturing Capacity	5890 Mts. per day
Sales Turnover -(2012-13)	Rs. 13735 Crores (US $ 2.54 Billion)

Member Unions

1. Kaira District Cooperative Milk Producers' Union Ltd., Anand
2. Mehsana District Cooperative Milk Producers' Union Ltd, Mehsana
3. Sabarkantha District Cooperative Milk Producers' Union Ltd., Himatnagar
4. Banaskantha District Cooperative Milk Producers' Union Ltd., Palanpur
5. Surat District Cooperative Milk Producers' Union Ltd., Surat
6. Baroda District Cooperative Milk Producers' Union Ltd., Vadodara
7. Panchmahal District Cooperative Milk Producers' Union Ltd., Godhra
8. Valsad District Cooperative Milk Producers' Union Ltd., Valsad
9. Bharuch District Cooperative Milk Producers' Union Ltd., Bharuch
10. Ahmedabad District Cooperative Milk Producers' Union Ltd., Ahmedabad
11. Rajkot District Cooperative Milk Producers' Union Ltd., Rajkot
12. Gandhinagar District Cooperative Milk Producers' Union Ltd., Gandhinagar
13. Surendranagar District Cooperative Milk Producers' Union Ltd., Surendranagar
14. Amreli District Cooperative Milk Producers Union Ltd., Amreli
15. Bhavnagar District Cooperative Milk Producers Union Ltd., Bhavnagar
16. Kutch District Cooperative Milk Producers' Union Ltd., Anjar

AMUL – An Introduction

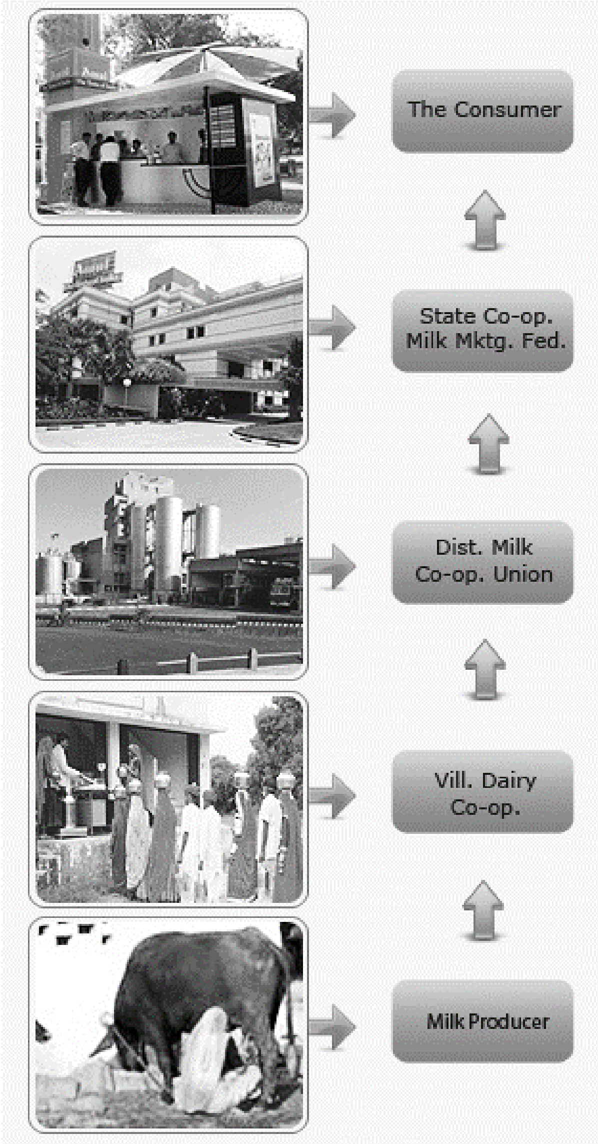
- It all began when milk became a symbol of protest
- Founded in 1946 to stop the exploitation by middlemen
- Inspired by the freedom movement

The seeds of this unusual saga were sown more than 65 years back in Anand, a small town in the state of Gujarat in western India. The exploitative trade practices followed by the local trade cartel triggered off the cooperative movement. Angered by unfair and manipulative practices followed by the trade, the farmers of the district approached the great Indian patriot Sardar Vallabhbhai Patel for a solution. He advised them to get rid of middlemen and form their own co-operative, which would have procurement, processing and marketing under their control. In 1946, the farmers of this area went on a milk strike refusing to be cowed down by the cartel. Under the inspiration of Sardar Patel, and the guidance of leaders like Morarji Desai and Tribhuvandas Patel, they formed their own cooperative in 1946.

This co-operative, the Kaira District Co-operative Milk Producers Union Ltd. began with just two village dairy co-operative societies and 247 litres of milk and is today better known as Amul Dairy. Amul grew from strength to strength thanks to the inspired leadership of Tribhuvandas Patel, the founder Chairman and the committed professionalism of Dr. Verghese Kurien, who was entrusted the task of running the dairy from 1950.

The then Prime Minister of India, Lal Bahadur Shastri decided that the same approach should become the basis of a National Dairy Development policy. He understood that the success of Amul could be attributed to four important factors. The farmers owned the dairy, their elected representatives managed the village societies and the district union, they employed professionals to operate the dairy and manage its business. Most importantly, the co-operatives were sensitive to the needs of farmers and responsive to their demands. At his instance in 1965 the National Dairy Development Board was set up with the basic objective of replicating the Amul model. Dr. Kurien was chosen to head the institution as its Chairman and asked to replicate this model throughout the country.

AMUL Model – Three Tier Structure Model

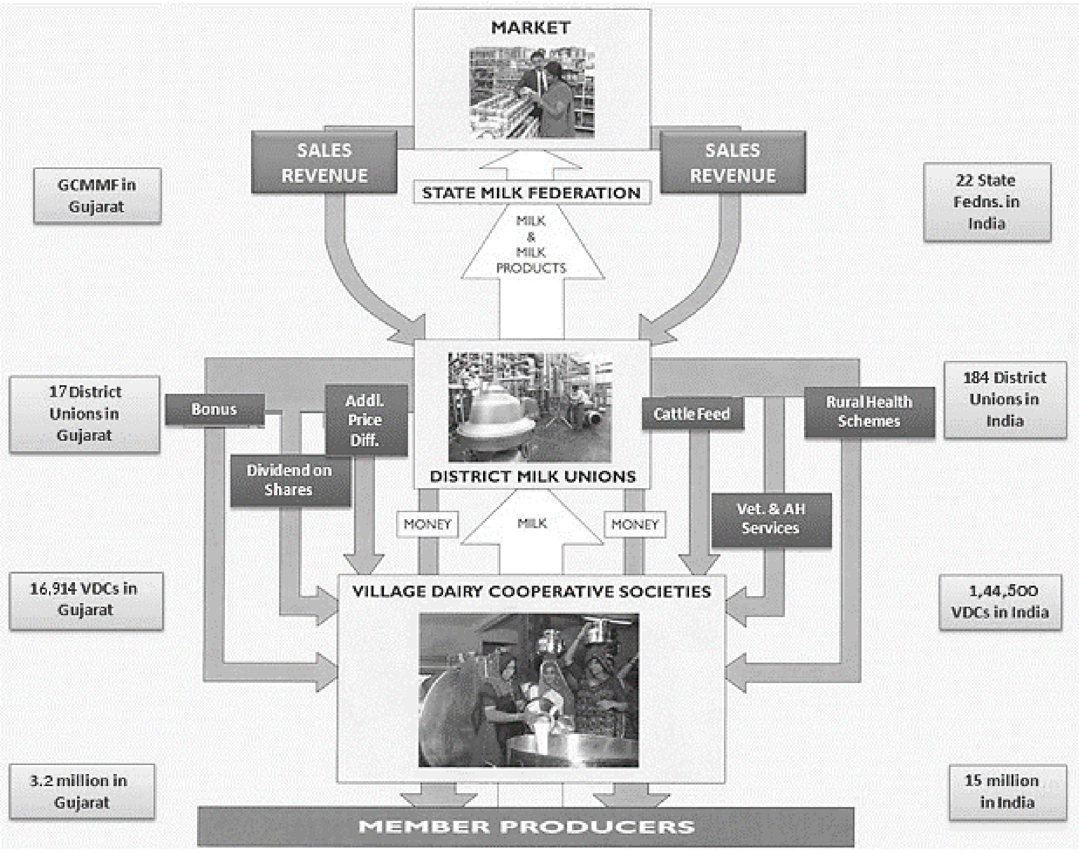


(AMUL Three Tier Structure)

The Amul model is three tier cooperative structure. This consists of dairy cooperative society at the village level affiliated to a milk union at the district level which is turn in further federated into a milk federation at state level. The structure is set up in order to delegate the various functions, milk collection is done at the village dairy society and milk procurement and processing at district milk union and milk and milk products marketing at the state milk federation. This helps in eliminating not only internal competition but also ensuring that an economy of scale is achieved. As the structure was first involved in Amul in Gujarat and thereafter replicated all over the country under the operation flood program, it is known as **Amul Model** or **Anand Pattern** of dairy cooperatives.

The AMUL Model or Anand Pattern

It is well known model or pattern for dairy production and manufacturing industry and hence it has been adopted by rest of the Indian dairy production firms and manufacturers for distributors' strategy and higher profit margin for whole channel of distribution.

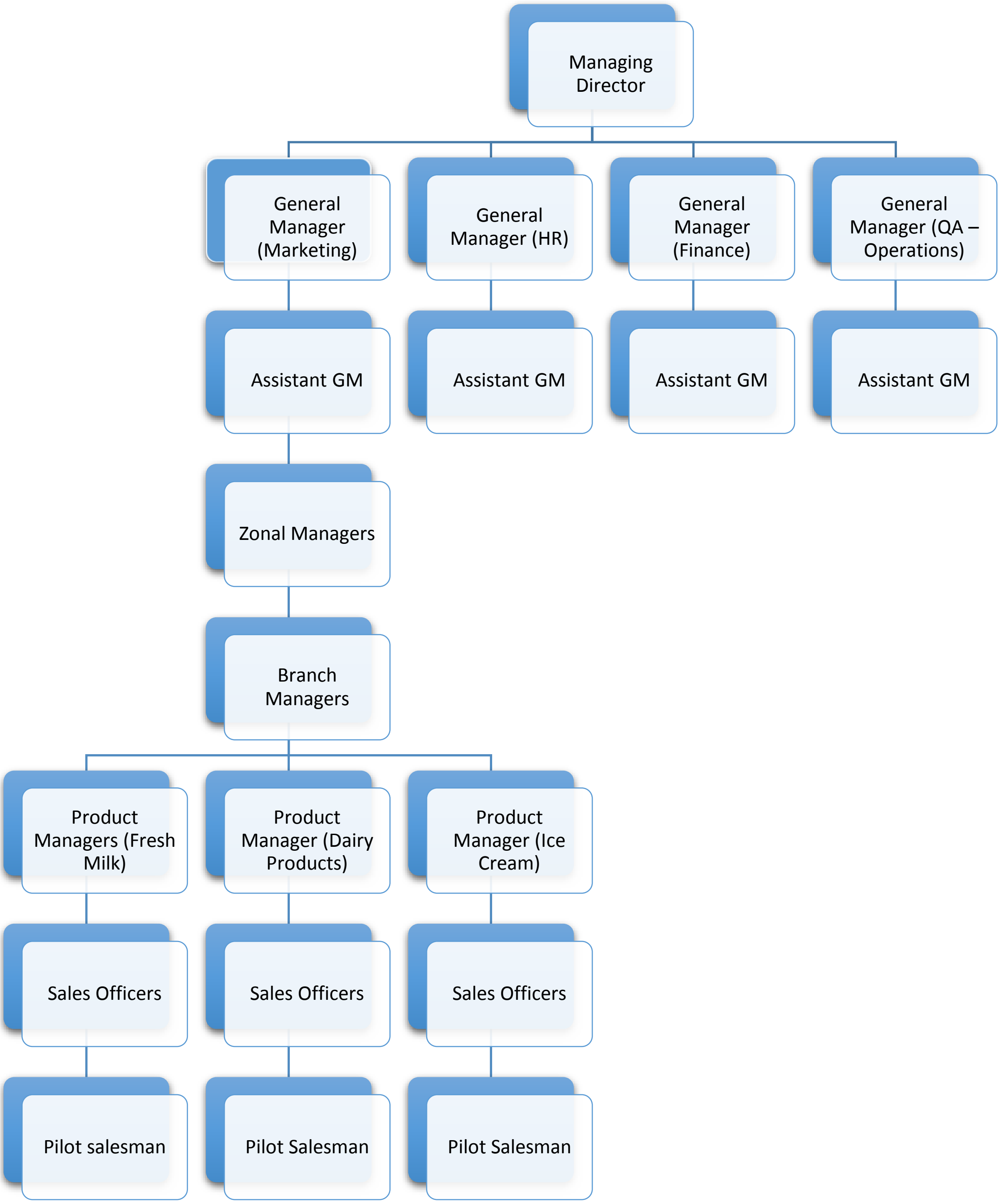


(The AMUL Model)

Model Structure Responsibility

- Responsible for marketing of milk and milk products
- Responsible for procurement and processing of milk
- Responsible for collection of milk
- Responsible for milk production

Organization Structure of GCMMF



FMCG (Fast Moving Consumer Goods) Industry

FMCG (Fast Moving Consumer Goods) Industry Study

Industry Analysis of FMCG Products which have a quick turnover, and relatively low cost known as Fast Moving Consumer Goods (FMCG). FMCG products are those that get replaced within a year. Examples of FMCG generally include a wide range of frequently purchased consumer products such as toiletries, soap, cosmetics, tooth cleaning products, shaving products and detergents, as well as other non-durables such as glassware, bulbs, batteries, paper products, and plastic goods. India's FMCG sector is the fourth largest sector in the economy and creates employment for more than three million people in downstream activities. Its principal constituents are Household Care, Personal Care and Food & Beverages. The total FMCG market is in excess of Rs. 85,000 Crores. It is currently growing at double digit growth rate and is expected to maintain a high growth rate.

FMCG Industry is characterized by a well-established distribution network, low penetration levels, low operating cost, lower per capita consumption and intense competition between the organized and unorganized segments. 2010 Budget FMCG Industry Expectations, The FMCG sector is one that saw a growth in the year 2009. The steady rise in prices saw an industry growth by 12%. Additionally there was an excise reduction as offered by the stimulus package as offered by the previous budget. In 2010 the FMCG industry is slated for a growth of 15% compared with that of 2009.

Expectations of the FMCG industry- The primary expectation of the FMCG industry from the Budget of 2010 -11 is that of tax benefits and better infrastructural benefits. Despite the economic turbulence along with factors like the swine flu in 2009 there were signs of revival in the hospitality industrial sector towards the end of the year. This industry is however expecting tax benefits along with better infrastructural facilities like better roads and increased connectivity with airports and railway stations and road ways. In 2009 the Sugar industry was badly hit with repercussions in its prices. A severe shortage of supply saw a severe rise in the domestic price of sugar in India. In the 2010 Budget of the FMCG Industry certain governmental decontrolling is expected. Production enhancements through a recovery of sick units are also essential. Tax benefits will be an added advantage so that a process of recovery and increased production can be pursued. Market share movements indicate that companies such as Marico Ltd and Nestle India Ltd, with domination in their key categories, have improved their market shares and outperformed peers in the FMCG sector.

This has been also aided by the lack of competition in the respective categories. Single product leaders such as Colgate Palmolive India Ltd and Britannia Industries Ltd have also witnessed strength in their respective categories, aided by innovations and strong distribution. Strong players in the economy segment like Godrej Consumer Products Ltd in soaps and Dabur in toothpastes have also posted market share improvement, with revived growth in semi-urban and rural markets.

Industry Analysis of FMCG (SWOT Analysis)

Strengths

- Low operational costs
- Presence of established distribution networks in both urban and rural areas
- Presence of well-known brands in FMCG sector

Weaknesses

- Lower scope of investing in technology and achieving economies of scale, especially in small sectors
- Low exports levels
- Products, which illegally mimic the labels of the established brands. These products narrow the scope of FMCG products in rural and semi-urban market.

Opportunities

- Untapped rural market
- Rising income levels, i.e. increase in purchasing power of consumers
- Large domestic market- a population of over one billion.
- Export potential
- High consumer goods spending

Threats

- Removal of import restrictions resulting in replacing of domestic brands
- Slowdown in rural demand
- Tax and regulatory structure
- Industry Analysis of FMCG

Industry Analysis of FMCG (PEST Analysis)

Political

- GST Regime.
- Transportation and infrastructure development in rural areas helps in distribution network.
- Restrictions in import policies.
- Help for agricultural sector.

Economical

- GDP rate increase along Increase in disposable income at 10 % annually for next 8 yrs.
- Indian FMCG Recorded 16% Sales Growth in Last Fiscal.
- The FMCG sector is a 4th largest sector of India.

Social

- Rural employment
- Volume-driven growth in rural market.
- Major Young population can increase revenue.
- The Indian culture, social & life styles are changing drastically.

Technological

- Technology has been simplified and available in the industry.
- Foreign players helps in high technological development

Strategies of FMCG Industry Structure

- **Rivalry among Competing Firms**

  In the FMCG Industry, rivalry among competitors is very fierce. There are scarce customers because the industry is highly saturated and the competitors try to snatch their share of market. Market Players use all sorts of tactics and activities from intensive advertisement campaigns to promotional stuff and price wars etc. Hence the intensity of rivalry is very high.

- **Potential Entry of New Competitors**

  FMCG Industry does not have any measures which can control the entry of new firms. The resistance is very low and the structure of the industry is so complex that new firms can easily enter and also offer tough competition due to cost effectiveness. Hence potential entry of new firms is highly viable.

- **Potential Development of Substitute Products**

  There are complex and never ending consumer needs and no firm can satisfy all sorts of needs alone. There are plenty of substitute goods available in the market that can be re-placed if consumers are not satisfied with one. The wide range of choices and needs give a sufficient room for new product development that can replace existing goods. This leads to higher consumer's expectation.

- **Bargaining Power of Suppliers**

  The bargaining power of suppliers of raw materials and intermediate goods is not very high. There is ample number of substitute suppliers available and the raw materials are also readily available and most of the raw materials are homogeneous. There is no monopoly situation in the supplier side because the suppliers are also competing among themselves.

- **Bargaining Power of Consumers**

Bargaining power of consumers is also very high. This is because in FMCG industry the switching costs of most of the goods is very low and there is no threat of buying one product over other. Customers are never reluctant to buy or try new things off the shelf. Research encompasses activities that increase the sum of human knowledge.

Research and Experimental Development

Creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of humanity, culture and society, and the use of this stock of knowledge to devise new applications.

Any activity classified as research and experimental development is characterized by originality; it should have investigation as a primary objective and should have the potential to produce results that are sufficiently general for humanity's stock of knowledge of theoretical or practical to be recognizably increased. Most higher education research work would qualify as research and experimental development.

Research carries with it a professional and ethical responsibility to disseminate and apply the results of research activity and to conduct research in a manner consistent with the Statement and Guidelines on Research Practice. An essential characteristic is that it leads to publicly verifiable outcomes which are open to peer appraisal. The complementary activity of scholarship refers to possession of an extensive and profound knowledge of an academic discipline and the analysis and interpretation of existing knowledge aimed at improving, through teaching or by other means of communication, the depth of human understanding.

Types of Research Activity

1. **Pure basic research**
   Pure basic research is experimental and theoretical work undertaken to acquire new knowledge without looking for long-term benefits other than the advancement of knowledge.

2. **Strategic basic research**
   Strategic basic research is experimental and theoretical work undertaken to acquire new knowledge directed into specified broad areas in the expectation of useful discoveries. It provides the broad base of knowledge necessary for the solution of recognized practical problems.

3. **Applied research**
   Applied research is original work undertaken primarily to acquire new knowledge with a specific application in view. It is undertaken either to determine possible uses for the findings of basic research or to determine new ways of achieving some specific and predetermined objectives.

4. **Experimental development**
   Experimental development is systematic work, using existing knowledge gained from research or practical experience that is directed to producing new materials, products or devices, to installing new processes, systems and services, or to improving substantially those already produced or installed.

The purpose of the research is to discover answers to questions through the application of scientific procedures. The main aim of research is to find out the truth which is hidden and which has not been discovered as yet. Its Aim is to have analysis and assessment of Fast Moving Consumer Goods, which refer to things that we buy from local supermarkets on daily basis, the things that have high turnover and are relatively cheaper.

Design Research

Research design is the controlling plan for a marketing research study in which the methods and procedures for collecting and analyzing the information to be collected is specified. Research design can be thought of as the structure of research -- it is the "glue" that holds all of the elements in a research project together.

Types of Research Designs

- Randomized experiment
- Non-experimental design
- Quasi-experimental design

Collection of Data

- Semi-structured interview / unstructured interview
- Focus groups
- Diaries / written accounts
- Participant observation / non-participant observation
- Media sources
- Through schedule
- Warranty cards
- Distributors or Store audits
- Consumer panels
- Use of mechanical device
- Projective technique Methods of secondary data collection
- Various publications of the central, state local governments
- Various publication of foreign governments or international bodies and their subsidiary organizations
- Reports and publication of various associations
- Reports prepared by research scholars
- Public records and statistics, historical documents, Technical and trade journals, Newspapers, Magazines and Books

Analysis of Data

This will be much more substantial, and much more discursive, than the results section of a typical experimental report. Our purpose here is twofold - we need to give an account of our data to communicate a sense of ‘what it is like’ and to offer an interpretation of to make a case for ‘what it means’. This should be based upon our codes and/or themes, but there is plenty of scope for us to be imaginative in both the way that we choose to structure our analysis section, and in the way that we choose to lay out our evidence. Many of our decisions will depend on our chosen approach.

By the time we get to the analysis of our data, most of the really difficult work has been done. It's much more difficult to: define the research problem; develop and implement a sampling plan; conceptualize, operationalize and test our measures; and develop a design structure. If we have done this work well, the analysis of the data is usually a fairly straightforward affair. In most social research the data analysis involves three major steps, done in roughly this order:

- **Cleaning and organizing the data for analysis (Data Preparation)**
- **Describing the data (Descriptive Statistics)**
- **Testing Hypotheses and Models (Inferential Statistics)**

Data Preparation involves checking or logging the data in; checking the data for accuracy; entering the data into the computer; transforming the data; and developing and documenting a database structure that integrates the various measures. Descriptive Statistics are used to describe the basic features of the data in a study.

They provide simple summaries about the sample and the measures. Together with simple graphics analysis, they form the basis of virtually every quantitative analysis of data. With descriptive statistics we are simply describing what is, what the data shows. Inferential Statistics investigate questions, models and hypotheses. In many cases, the conclusions from inferential statistics extend beyond the immediate data alone. For instance, we use inferential statistics to try to infer from the sample data what the population thinks. Or, we use inferential statistics to make judgments of the probability that an observed difference between groups is a dependable one or one that might have happened by chance in this study. Thus, we use inferential statistics to make inferences from our data to more general conditions; we use descriptive statistics simply to describe what's going on in our data.

Interpret and Reporting

The best advice is to consider our particular writing context carefully and to let it guide our writing. If we're writing in a workplace context, find out if our organization has document or style guidelines and look at previous reports put out by the organization. Whenever we write, we should keep our purpose and audience clearly in focus.
Begin by considering,

- **What we want to accomplish with our report: what are our primary and secondary objectives?**
- **Who will be reading our report and for what purposes: What is their background?**
- **What questions might they have? What might they expect in terms of content and format?**

Introduction of FMCG Market Industry

The Indian FMCG sector is the fourth largest sector in the economy with a total market size in excess of US$ 13.1 billion. It has a strong MNC presence and is characterized by a well-established distribution network, intense competition between the organized and unorganized segments and low operational cost. Availability of key raw materials, cheaper labor costs and presence across the entire value chain gives India a competitive advantage. The FMCG market is set to treble from US$ 11.6 billion in 2003 to US$ 33.4 billion in 2015. Penetration level as well as per capita consumption in most product categories like jams, toothpaste, skin care, hair wash etc. in India is low indicating the untapped market potential. Burgeoning Indian population, particularly the middle class and the rural segments, presents an opportunity to makers of branded products to convert consumers to branded products. Growth is also likely to come from consumer 'upgrading' in the matured product categories.
With 200 million people expected to shift to processed and packaged food by 2010, India needs around US$ 28 billion of investment in the food-processing industry. Automatic investment approval (including foreign technology agreements within specified norms), up to 100 per cent foreign equity or 100 per cent for NRI and Overseas Corporate Bodies (OCBs) investment, is allowed for most of the food processing sector.

FMCG’s or fast moving consumer goods are the products which are frequently purchased by consumers including toiletries, soaps, cosmetics, teeth cleaning products, shaving products, detergents, other non-durables such as glassware, bulbs, batteries, paper products ,plastic goods etc. It used to be called the grocery industry, now it’s just called FMCG. FMCG is an ugly acronym for Fast Moving Consumer Goods, which translated into English means 'things we buy on a regular basis at places like our local supermarket. Scope of the FMCG Sector the Indian FMCG sector with a market size of US$13.1 billion is the fourth largest sector in the economy.

A well-established distribution network, intense competition between the organized and unorganized segments characterize the sector. FMCG Sector is expected to grow by over 60% by 2010. That will translate into an annual growth of 10% over a 5-year period. It has been estimated that FMCG sector will rise from around Rs 56,500 crores in 2005 to Rs 92,100 crores in 2010. Hair care, household care, male grooming, female hygiene, and the chocolates and confectionery categories are estimated to be the fastest growing segments, says an HSBC report. Though the sector witnessed a slower growth in 2002-2004, it has been able to make a fine recovery since then. For example, Hindustan Levers Limited (HLL) has shown a healthy growth in the last quarter. An estimated double-digit growth over the next few years shows that the good times are likely to continue.

Recent Developments in Fast Moving Consumer Goods (FMCG) Sector FMCG sector is no doubt registering an uptrend in growth. According to CNBC, FMCG sector growth story will continue because of the positive budget. Nevertheless, there are some barriers to the growth of the sector. Indirect taxes constitute no less than 35% of the total cost of consumer products - the highest in Asia. Last year, Finance Minister proposed to introduce an integrated Goods and Service Tax by April 2010. HLL, Dabur, ITC, and Marico will be amongst the most benefited companies. The Indian FMCG sector is the fourth largest sector in the economy with a total market size in excess of US$ 13.1 billion. It has a strong MNC presence and is characterized by a well-established distribution network, intense competition between the organized and unorganized segments and low operational cost. Availability of key raw materials, cheaper labor costs and presence across the entire value chain gives India a competitive advantage.

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The large share of fast moving consumer goods (FMCG) in total individual spending along with the large population base is another factor that makes India one of the largest FMCG markets. Even on an international scale, total consumer expenditure on food in India at US$ 120 billion is amongst the largest in the emerging markets, next only to China. Change in the Indian consumer profile Rapid urbanization, increased literacy and rising per capita income, have all caused rapid growth and change in demand patterns, leading to an explosion of new opportunities. Around 45 per cent of the population in India is below 20 years of age and the young population is set to rise further. Aspiration levels in this age group have been fuelled by greater media exposure, unleashing a latent demand with more money and a new mindset. Demand-supply gap currently, only a small percentage of the raw materials in India are processed into value added products even as the demand for processed and convenience food is on the rise. This demand supply gap indicates an untapped opportunity in areas such as packaged form, convenience food and drinks, milk products etc. In the personal care segment, the low penetration rate in both the rural and urban areas indicates a market potential.

India Competitiveness and Comparison with the World Markets

Materials Availability India has a diverse agro-climatic condition due to which there exists a wide-ranging and large raw material base suitable for food processing industries. India is the largest producer of livestock, milk, sugarcane, coconut, spices and cashew and is the second largest producer of rice, wheat and fruits & vegetables. India also has an ample supply of caustic soda and soda ash, the raw materials in the production of soaps and detergents – India produced 1.6 million tons of caustic soda in 2003-04. Tata Chemicals, one of the largest producers of synthetic soda ash in the world is located in India. The availability of these raw materials gives India the locational advantage. Apart from the advantage in terms of ample raw material availability, existence of low-cost labor force also works in favor of India. Labor cost in India is amongst the lowest in Asian countries. Easy raw material availability and low labor costs have resulted in a lower cost of production. Many multi-nationals have set up large low cost production bases in India to outsource for domestic as well as export markets.

Leveraging the cost advantage Global major, Unilever, sources a major portion of its product requirements from its Indian subsidiary, HLL. In 2003-04, Unilever outsourced around US$ 218 million of home and personal care along with food products to leverage on the cost arbitrage opportunities with the West. To take another case, Procter & Gamble (P&G) outsourced the manufacture of Vicks Vaporub to contract manufacturers in Hyderabad, India. This enables P&G to continue exporting Vicks Vaporub to Australia, Japan and other Asian countries, but at more competitive rates, whilst maintaining its high quality and cost efficiency. Presence across value chain Indian firms also have a presence across the entire value chain of the FMCG industry from supply of raw material to final processed and packaged goods, both in the personal care products and in the food processing sector. For instance, Indian firm AMUL's product portfolio includes supply of milk as well as the supply of processed dairy products like cheese and butter. This makes the firms located in India more cost competitive.

Supply Chain Management

Supply Chain Management – An Overview

As our economy is booming and every organization is facing severe competition in the market whether it may be local or international market. The traditional corporate model of organization was based on vertical integration, hierarchy and functional management. There is a drastic change in the traditional and modern business world, where in the modern world, when demand became unpredictable in both quality and quantity, when the domestic and international markets became too diversified and thereby difficult to forecast, and when there is a dynamic change in the technology which made single purpose production equipment obsolete, the mass-production system became too costly and too rigid. Emerging technologies now allow for the transformation of assembly main characteristics of the large corporation into easy to program production units with product flexibility sensitive to market variations, and process flexibility sensitive to change in technology. Most of modern organizations have adapted the new environment and the main shift is featured as shift from the vertical bureaucracies to horizontal corporations. There are seven major modern trends which features such corporations which are as following

1. Process
2. A flat hierarchy
3. Team management
4. Performance measurement by customer satisfaction
5. Maximization of contacts with suppliers and customers
6. Information, Training and Re-training of employees at all levels
7. Rewards based on team performance

Contemporary business life cycle is process driven and chain oriented, hence integration has become a core question for companies. The problems and challenges with the traditional vertical co-operation between organizations are costly and time consuming, instead of co-operating, there is also no scope of cost reproduction or profit improvements at the expenses of someone else in the supply chain system.

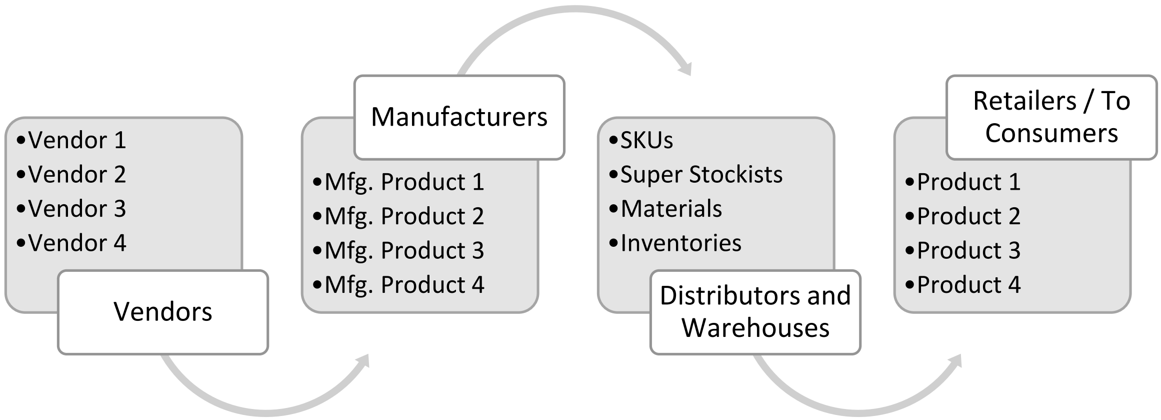
There are various ways to look at supply chain system. One can say that it starts from the raw material vendor and ends with the customer, thus, it includes purchasing, marketing and even consumer buying the product. Therefore all the processes involved in the entire spectrum from demand generation to demand satisfaction can be called as Supply chain management.

New Version of Supply Chain Management

Today, in some advanced companies, supply chain extend right from vendor procuring his raw material to the point of sale where the last sale of the product takes place. This implies that there is transparency and information flow in the entire chain resulting in appropriate action at each point. This action by each entity contributes to the smooth functioning of supply chain. In some companies supply chain could only be internal that is across the manufacturing facilities to company owned depots. One can always choose a part of supply chain that is most relevant and focus resources to achieve increased productivity. The objective of every supply chain should be to maximize the overall value generated. The value that supply chain generates is the difference between what the final product is worth to the customer and costs the supply chain incurs in filling the customer's request. For most commercial supply chains, value will be strongly correlated with supply chain profitability which is also known as supply chain surplus, the revenue generated from the customer and the overall cost across the supply chain.

Supply Chain Profitability

Supply chain success should be measured in terms of the supply chain profitability. Having defined the success of a supply chain in terms of supply chain profitability, the next logical step is to look for sources of revenue and cost. For any supply chain, there is only one source of revenue which is The Customer. Thus, the appropriate management of these flows is a key to supply chain success. Effective supply chain management involves the management of supply chain assets and products, information and fund flows to maximize total supply chain profitability. Retailing is largely consolidated, with large chains buying consumer goods from most manufacturers. This consolidations gives retailers sufficient scale that the introduction of an intermediary such as distributor does little to reduce costs and may actually increase costs because of an additional transaction. In contrast, India has millions of small retail outlets. The small size of Indian retail outlets limits the amount of inventory they can hold, thus requiring frequent replenishment, an order can be compared with the weekly grocery shopping for a family. The only way for manufacturer to keep transportation costs low is to bring full truckloads of product close to the market and then distribute locally using "Milk Runs" with smaller vehicles. The presence of an intermediary who can receive a full truckload shipment, break bulk, and then make smaller deliveries to the retailers is crucial if transportation costs are to be kept low. Most Indian distributors are one stop shops, stocking everything from cooking oil to soaps and detergents made by variety of manufacturers. Besides the convenience provide by one shop shopping, distributors in India are also able to reduce transportation costs for outbound delivery to the retailers by aggregating products across multiple manufacturers during the delivery runs. So, the important role of distributors can be explained by the growth in supply chain surplus that results from their presence. The supply chain surplus argument implies that as retailing in India begins to consolidate, the role of distributor will diminish.



Modern Supply Chain Management Model

Due to purchasing power that comes with control over consumer contacts, retailers are often dominant in a supply chain. Closeness to end consumer market gives retailers fast and precise information about matters such as shifting fashion preferences and attractiveness of competitor's offerings, comparable to continuous market research.

Problem Area and Research Purpose

Due to the purchasing power that comes with control over consumers contracts, retailers are often dominant in a supply chain. Closeness to end consumer markets gives retailers fast and precise information about matters such as shifting fashion preferences and attractiveness of competitor's offerings, comparable to continuous market research.

Even though power is no end in itself, it does include the opportunity to organize the supply chain in suitable way. Many challenges face retailers today. Expanding product variety, greater fluctuations in demand and shorter and shorter product life cycle, which makes time to market reductions essential. The ever increasing need for reduced lead times continues. Maximum coordination of work in and between companies is therefore necessary, as otherwise it will lead to higher costs as well as to longer lead times.

There is however no single best way to manage a supply chain, the way retailers in consumer markets influence what should be focused on. As no company can be everything for everyone, there is interdependencies between what a company sets out to be for a consumers. As for an example, The Company's value proposition and that company's supply chain. A value proposition concerns how, where and when a company creates value for its customers and that all activities from product development to order fulfillment should be based upon it.

Project Data Analysis

Project Data

Final project data comprises the total data of retailers which has been distributed in total of five numbers of beats with proposed restructuring of the beats comprises of distribution network channel falls under the area of Nikol – Naroda distribution of Ahmedabad. These distribution areas has been maintained and served by Rushabh Marketing, Nikol, Ahmedabad.

Proposed restructured beats are as follow.

1. Beat 1
2. Beat 2
3. Beat 3
4. Beat 4
5. Beat 5
    a. Beat 5 A
    b. Beat 5 B

- This all beats are comprises of total different areas such as following for distribution channel network.
    - Nikol, Naroda, Virat Nagar, Gopal Chowk, Sitaram Chowk, Shivaji Chowk, CTM, Adinaath Nagar, Amraiwadi, Rabari Colony, Odhav and Vastral.

- These all beats, which we have covered, are comprises of total numbers of outlets of 191.
- Detailed information about the total above mentioned distribution beats are as below mentioned.

Detailed Information about Beats

DISTRIBUTOR	Rushabh Marketing	**SERVICE DAY**	Monday & Thursday
BEAT NAME	Beat 1		
AREA COVERED	Nikol, Virat Nagar		

SR. NO.	RETAIL OUTLET	CATEGORY	CONTACT NUMBER	AREA
1	Patel Provision Store	General	8141074454	Nikol
2	Dharati Provision Store	General	9898130873	Nikol
3	Nyalkaran Kirana Store	Kirana	9426755372	Nikol
4	Shree Ramdev Super Market	General	9601160552	Nikol
5	Mateshwari Dairy Parlor	Dairy Parlor	9662157294	Nikol
6	Shree Maruti Telecome	General	9825970846	Nikol
7	Shree Mahakali Dairy Parlor	Dairy Parlor	9662826824	Nikol
8	Vaibhavi Provision Store	General	8000430630	Nikol
9	Bhumika Pan Parlor	Pan Parlor	9723300015	Nikol
10	Azad Kirana Store	Kirana	9427068332	Nikol
11	Shree Nilkanth Dairy Parlor	Dairy Parlor	9974354270	Nikol
12	Khodiyar Kirana Stores	Kirana	7359725817	Nikol
13	Khodal Dairy Parlor	Dairy Parlor	9723764009	Nikol
14	Umiya Kirana Store	Kirana	9429516093	Nikol
15	Ratneshwari Dudhghar	Dairy Parlor	9909706674	Nikol
16	Khushbu Provision Store	General	9427523751	Nikol
17	Shree Kheteshwar Provision Store	General	079-22950475	Nikol
18	Gurukrupa General Store	General	9998803596	Nikol
19	Danev Provision Store	General	8264602076	Nikol
20	Ramdev Kirana Store	Kirana	9725106551	Nikol
21	Narnarayan Provision Store	General	9879146506	Nikol
22	Raja Bakery	Bakery / Food	9376519179	Nikol
23	Muralidhar Distributors	General	9377809795	Nikol
24	Jay Ratneshwari Dudhghar	Dairy Parlor		Nikol
25	Vijay Amul Parlor	APO	9825752974	Nikol
26	New Mayur Amul Parlor	APO	9879288948	Nikol
27	Shree Bahuchar Kirana Store	Kirana	9978508582	Nikol
28	Kuladevi Kirana Stores	Kirana	9978533695	Nikol
29	Brahmani Provision Store	General		Nikol
30	Patel Kirana Store	Kirana	9979772396	Nikol
31	Laxmi Kirana Store	Kirana	9737343921	Virat Nagar
32	Vinayak General Store	General	9375972394	Virat Nagar
33	Mahadev Kirana Store	Kirana	8469500028	Virat Nagar
34	Mateshwari Provision Store	General	9723127674	Virat Nagar
35	Shantinath Provision Store	General	9728720872	Virat Nagar
36	Shree Naganeshwari Kirana Store	Kirana	8875270521	Virat Nagar
37	Shivam Kirana Store	Kirana	9558607391	Virat Nagar
38	Aai Shree Khodiyar Kirana Store	Kirana	8511379400	Virat Nagar

DISTRIBUTOR Rushabh Marketing **SERVICE DAY** Tuesday & Friday
BEAT NAME Beat 2
AREA COVERED Nikol

SR. NO.	RETAIL OUTLET	CATEGORY	CONTACT NUMBER	AREA
1	Shree Ram Provision Store	General	9974692680	Nikol
2	Shree Khodal Dairy Parlor	Dairy Parlor	9426961069	Nikol
3	Parth Dudhghar	Dairy Parlor	9723277965	Nikol
4	Kalupur Traders	General	9998243579	Nikol
5	Gokul Dairy Parlor	Dairy Parlor	9328103161	Nikol
6	Shree Raj Provision Store	General	9510975893	Nikol
7	Ashok General Store	General	9998390861	Nikol
8	Radhe Provision Store	General	9426427617	Nikol
9	Shree Khetalaji Kirana Store	Kirana	9698417216	Nikol
10	Ashapura Provision Store	General	9724308225	Nikol
11	Shree Chamunda Kirana Store	Kirana	7405381065	Nikol
12	Jay Ambe Kirana Store	Kirana	8401868112	Nikol
13	Dhaval Provision Store	General	9974775885	Nikol
14	Shree Hari Provision Store	General	9909262461	Nikol
15	Lalkrupa Provision Store	General	9726943756	Nikol
16	Mahadev Provision Store	General	8511298575	Nikol
17	Prachi Provision Store	General	9825893062	Nikol
18	Bhadrakali Provision Store	General	7383033728	Nikol
19	Kheteshwar Kirana Store	Kirana	9898331181	Nikol
20	Gurukrupa Dairy Parlor	Dairy Parlor	9662030655	Nikol
21	Laxmi Kirana Store	Kirana	9687157632	Nikol
22	Shree Khodiyar Provision Store	General	9825816223	Nikol
23	Ambika General Store	General	9974500615	Nikol
24	Vardhaman Provision Store	General	9924334418	Nikol
25	Kanaiya Dairy Parlor	Dairy Parlor	9727978180	Nikol
26	Khodiyar Dairy Parlor	Dairy Parlor	9898173709	Nikol
27	New Bhavani Dairy Parlor	Dairy Parlor	9510465354	Nikol
28	Angan Dairy Parlor	Dairy Parlor	9662345063	Nikol
29	Shakambhari Dairy Parlor	Dairy Parlor	9327909178	Nikol
30	Shreeji Ice Cream Parlor	Dairy Parlor	9723220787	Nikol
31	Aadi Pan Parlor	Pan Parlor	9998843912	Nikol
32	Kaamdhenu Dairy Parlor	Dairy Parlor	9723567797	Nikol
33	Muralidhar Dairy Parlor	Dairy Parlor	9714855881	Nikol
34	Shree Krishna Hotel	General	8511767343	Nikol
35	Bombay Burger	Bakery / Food	8141036486	Nikol
36	Mayur Dairy & Sweets	Dairy Parlor	9825151201	Nikol
37	Royal Dairy Parlor	Dairy Parlor	7600004660	Nikol

DISTRIBUTOR Rushabh Marketing **SERVICE DAY** Wednesday & Saturday
BEAT NAME Beat 3
AREA COVERED Nikol, Gopal Chowk, Sitaram Chowk, Shivaji Chowk

SR. NO.	RETAIL OUTLET	CATEGORY	CONTACT NUMBER	AREA
1	Shreejikrupa Amul Parlor	APO	9998285528	Nikol
2	Jay Balak Amul Parlor	APO	9429630762	Nikol
3	Jay Khodiyar Amul Parlor	APO	9601264480	Nikol
4	Keval Dairy	APO	9898553951	Nikol
5	Bhagyam Amul Parlor	APO	9033070928	Nikol
6	Meet Amul Parlor	APO	9898809007	Nikol
7	Somnaath Amul Parlor	APO	9737214215	Nikol
8	Shreji Amul Parlor	APO	9428114452	Nikol
9	Krishna Amul Parlor	APO	9376714754	Nikol
10	Vidhi Amul Parlor	APO	9426756225	Nikol
11	Aum Amul Parlor	APO	9574488383	Nikol
12	Bajrang Trading & Amul Parlor	APO	9898605046	Nikol
13	Shree Mayur Amul Parlor	APO	9745064552	Nikol
14	Shree Shyaam Amul Parlor	APO	9737943641	Nikol
15	Hetavi Amul Parlor	APO	8530940533	Nikol
16	New Nilkanth Provision Store	General	9426869095	Nikol
17	Shree Ganesh Kirana Store	Kirana	9998059162	Gopal Chowk
18	Shree Kuladevi Kirana Stores	Kirana	9726160546	Gopal Chowk
19	Shree Ashapuri Kirana Store	Kirana	9737206321	Gopal Chowk
20	Vrajesh Kirana Store	Kirana	9824142026	Gopal Chowk
21	Shree Chamunda Kirana Store	Kirana	9601775588	Gopal Chowk
22	Kshetrapal Provision Store	General	9998058911	Gopal Chowk
23	New Charbhuja Provision Store	General		Gopal Chowk
24	Gayatri Dairy Parlor	Dairy Parlor	9558066776	Gopal Chowk
25	Sundarvan Provision Store	General	9998834025	Gopal Chowk
26	Giriraj Provision Store	General	9998448026	Gopal Chowk
27	Krishna Provision Store	General	9925686770	Gopal Chowk
28	Manpasand Kirana Store	Kirana	079-32990624	Sitaram Chowk
29	Swami Kirana Store	Kirana	8141216190	Sitaram Chowk
30	Shivshakti Kirana Store	Kirana		Sitaram Chowk
31	Charbhuja Dabeli	Bakery / Food	9913093242	Sitaram Chowk
32	Radhe Parlor	Dairy Parlor	9925604940	Sitaram Chowk
33	Kartik Dairy Parlor	Dairy Parlor	9898459092	Sitaram Chowk
34	Vijay Provision Store	General	9998083210	Sitaram Chowk
35	Shree Janta Ice Cream	Dairy Parlor	9723249823	Sitaram Chowk
36	Visat Kirana Store	Kirana	9924127145	Sitaram Chowk
37	Shiv Parlor	Dairy Parlor		Sitaram Chowk
38	Shiv Amul Parlor	APO	9408686037	Sitaram Chowk
39	Kiran Kirana Store	Kirana	9428806985	Shivaji Chowk
40	Shree Satnaam Kirana Store	Kirana	079-22957273	Shivaji Chowk
41	Shyaam Provision Store	General	9924179650	Shivaji Chowk

DISTRIBUTOR Rushabh Marketing **SERVICE DAY** Monday & Thursday
BEAT NAME Beat 4
AREA COVERED Adinaath Nagar, CTM, Amraiwadi, Rabari Colony, Odhav

SR. NO.	RETAIL OUTLET	CATEGORY	CONTACT NUMBER	AREA
1	Khodiyar Amul Parlor	APO	9173610212	Adinaath Nagar
2	Ronak Amul Parlor	APO	9824024943	Adinaath Nagar
3	Om Sai Amul Parlor	APO	8490087677	Adinaath Nagar
4	Guru Ashish Milk Palace	Dairy Parlor	9998600633	Adinaath Nagar
5	Swaminarayan Milk Dairy	Dairy Parlor	9898110451	Adinaath Nagar
6	Shyaam Pan Parlor	Pan Parlor	9734037452	Adinaath Nagar
7	Maruti Dairy Parlor	Dairy Parlor	9725292248	Adinaath Nagar
8	Sweety Parlor	Dairy Parlor	9426173912	CTM
9	Satyanarayan Icecream	Dairy Parlor	9898006674	CTM
10	Aditya Dairy Parlor	Dairy Parlor	9428825812	Adinaath Nagar
11	Siddheshwari Dairy	Dairy Parlor	9824976490	Adinaath Nagar
12	Bhagyalakshmi Dairy	Dairy Parlor	9824546010	Adinaath Nagar
13	Radhe Dairy Parlor	Dairy Parlor	9925804281	Adinaath Nagar
14	Patel Dairy Parlor	Dairy Parlor	7802902890	CTM
15	Sanmaati Provision Stores	General	9374178740	Amraiwadi
16	Mahakali Dalbati	General	9558237040	Adinaath Nagar
17	Harsh Graphics	General	9898546849	Adinaath Nagar
18	Janta Dairy	Dairy Parlor	8128449796	Adinaath Nagar
19	Hiren Enterprise	General	9979872507	Rabari Colony
20	Patel Dairy Parlor	Dairy Parlor	9727845375	Adinaath Nagar
21	Harikrupa General Store	General	9724766007	Adinaath Nagar
22	Khodiyar Dairy Parlor	Dairy Parlor	9537566701	Odhav
23	Aum Parlor	Dairy Parlor	9016734023	Odhav
24	Shirohi Dairy Parlor	Dairy Parlor	9898619619	Odhav
25	Hariom Dairy Parlor	Dairy Parlor	8140151902	Odhav
26	Shree Bhairavnaath Sweets	Bakery / Food	9898011694	Odhav
27	Raghaav Mobile & Pan Parlor	Pan Parlor	9974933747	Odhav
28	Varsha Kirana Stores	Kirana	9722824386	Odhav
29	Mayur Icecream Parlor	Dairy Parlor	9722824386	Odhav
30	Kuladevi Kirana Stores	Kirana	8401723003	Odhav
31	Mahavir Provision Stores	General	9638879316	Odhav
32	Bhupendra Dairy Parlor	Dairy Parlor	9067222221	Odhav
33	Umiya Pan Parlor	Pan Parlor	9898164192	Odhav

DISTRIBUTOR Rushabh Marketing **SERVICE DAY** Tuesday & Friday
BEAT NAME Beat 5 - A
AREA COVERED Vastral, Rabari Colony

SR. NO.	RETAIL OUTLET	CATEGORY	CONTACT NUMBER	AREA
1	Sujal Amul Parlor	APO	9898387462	Vastral
2	Sagar Amul Parlor	APO	9998767634	Vastral
3	Umiya Amul Parlor	APO	8866120437	Rabari Colony
4	Ganesh Amul Parlor	APO	8141665068	Vastral
5	Shree Ganesh Amul Parlor	APO	8460785185	Vastral
6	Harikrupa Amul Parlor	APO	9624490757	Vastral
7	Patidar Amul Parlor	APO	9601298199	Vastral
8	Radhe Amul Parlor	APO	9979093040	Vastral
9	Bahuchar Amul Parlor	APO	9925224425	Vastral
10	Utsav Amul Parlor	APO	8401002805	Vastral
11	Ronak Amul Parlor	APO	9574506848	Vastral
12	Navrang Amul Parlor	APO	9824617877	Vastral
13	Tanisha Amul Parlor	APO	9998121043	Vastral
14	Saraswati Amul Parlor	APO	9428910164	Vastral
15	Krishna Amul Parlor	APO	9924293132	Vastral
16	Babadham Amul Parlor	APO	9998880869	Vastral
17	Krishna Medical	Chemist	9898186108	Vastral
18	Krishna Dairy Parlor	Dairy Parlor	9173102766	Vastral
19	Patel Dairy Parlor	Dairy Parlor	9998697358	Vastral
20	Karnavati Super Market	General	9998410511	Vastral
21	Jay Ambe Kirana Stores	Kirana	8490042843	Vastral

DISTRIBUTOR	Rushabh Marketing	**SERVICE DAY**	Wednesday & Saturday
BEAT NAME	Beat 5 - B		
AREA COVERED	Vastral, CTM, Rabari Colony, Odhav		

SR. NO.	RETAIL OUTLET	CATEGORY	CONTACT NUMBER	AREA
1	Shree Krishna Parlor	Dairy Parlor	9904571349	Vastral
2	Gayatri Dairy Parlor	Dairy Parlor	9998675540	Vastral
3	Shayona Super Market	General	9825040644	Vastral
4	Jay Medical Stores	Chemist	9228705490	Vastral
5	Bhagyalakshmi Colddrinks	General	9974118611	Rabari Colony
6	Shree Muralidhar Dairy	Dairy Parlor	9601131543	Vastral
7	Shree Chamunda Catering	General	9825200475	Vastral
8	Laxmi Dairy Parlor	Dairy Parlor	9824887056	Vastral
9	Khushbu Provision Store	General	9998425642	Vastral
10	Momai Parlor	Dairy Parlor	7383285345	Vastral
11	Mahakali Pan Parlor	Pan Parlor	9714366445	Vastral
12	Patel Kirana Store & Parlor	Kirana	8264856591	Vastral
13	New Harsidhh Dairy Parlor	Dairy Parlor		CTM
14	Bajrang Dalwada	APO		CTM
15	Time In Corporation	APO		Odhav
16	Aum Sai Parlor	APO		CTM
17	Shree Shakti General Store	General		CTM
18	Annapurna Kirana Store	Kirana		CTM
19	Muralidhar Soda & Ice Cream	Dairy Parlor		CTM
20	Bhavani Clodrinks	Dairy Parlor		CTM
21	Krishna Gifts	General		Rabari Colony

Data Summary

DISTRIBUTOR		Rushabh Marketing, Nikol-Naroda Road, Nikol			
BEAT NAME	Beat 1	**TOTAL OUTLETS**	38	**SALESMAN**	Mr.Ajay
SERVICE DAYS		Monday & Thursday			
AREA COVERED		Nikol, Virat Nagar			
BEAT NAME	Beat 2	**TOTAL OUTLETS**	37	**SALESMAN**	Mr. Ajay
SERVICE DAYS		Tuesday & Friday			
AREA COVERED		Nikol			
BEAT NAME	Beat 3	**TOTAL OUTLETS**	41	**SALESMAN**	Mr. Ajay
SERVICE DAYS		Wednesday & Saturday			
AREA COVERED		Nikol, Gopal Chowk, Sitaram Chowk, Shivaji Chowk			
BEAT NAME	Beat 4	**TOTAL OUTLETS**	33	**SALESMAN**	Mr. Krunal
SERVICE DAYS		Monday & Thursday			
AREA COVERED		Adinaath Nagar, CTM, Amraiwadi, Rabari Colony, Odhav			
BEAT NAME	Beat 5 – A	**TOTAL OUTLETS**	21	**SALESMAN**	Mr. Krunal
SERVICE DAYS		Tuesday & Friday			
AREA COVERED		Vastral, Rabari Colony			
BEAT NAME	Beat 5 – B	**TOTAL OUTLETS**	21	**SALESMAN**	Mr. Krunal
SERVICE DAYS		Wednesday & Saturday			
AREA COVERED		Vastral, CTM, Rabari Colony, Odhav			
SUMMARY					
TOTAL OUTLETS		191			
AREA COVERED (ALL)		Nikol, Virat Nagar, Gopal Chowk, Sitaram Chowk, Shivaji Chowk, CTM, Adinaath Nagar, Amraiwadi, Rabari Colony, Odhav, Vastral			
SALES MEN		Mr. Ajay & Mr. Krunal (With one helper each)			
TOTAL BEATS		Beat 1, Beat 2, Beat 3, Beat 4, Beat 5 (A and B)			

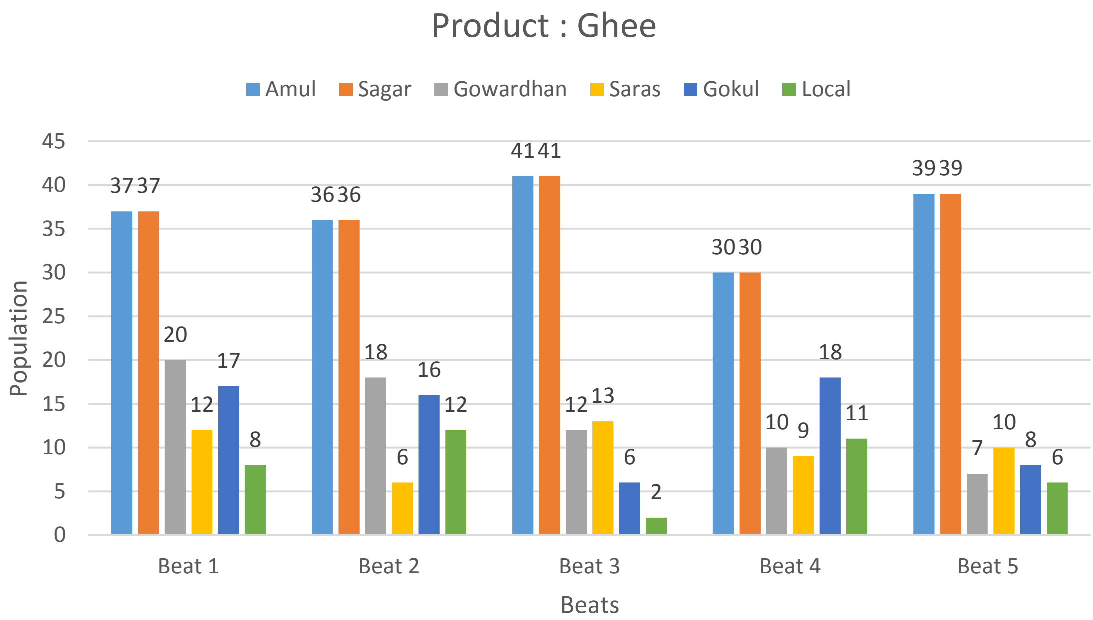
Product Competitors and Brands

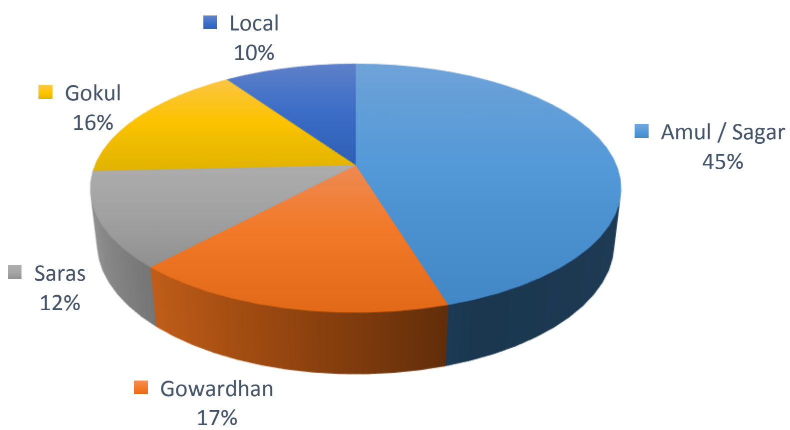
	APO	BAKERY / FOOD	CHEMIST	DAIRY PARLOR	GENERAL STORES	KIRANA STORES	PAN PARLOR
GHEE	Amul Sagar	Amul Sagar Gowardhan Saras Gokul	--	Amul Sagar Gowardhan Saras Local Gokul	Amul Sagar Gowardhan Saras Gokul	Amul Sagar Gowardhan Saras Gokul	--
ICE CREAM	Amul	--	--	Amul Vadilal Havmore Sheetal Pastonji Kwality Walls Local	Amul Vadilal Havmore Sheetal Pastonji Kwality Walls	--	Amul Kwality walls Sheetal
FLAVOURED MILK	Amul	--	--	Amul Milda	Amul Milda	--	Amul Milda
CONDENSED MILK	Amul	--	--	Amul	--	--	--
BUTTER	Amul	Amul Gowardhan	--	Amul Nutralite Vimal Gokul Gowardhan Mother Dairy Local	Amul Nutralite Gokul Gowardhan Mother Dairy	--	Amul Nutralite
CHEESE	Amul	Amul Britannia	--	Amul Britannia Vimal Gowardhan Mother Dairy Local	Amul Britannia Gowardhan	--	Amul Britannia
MALT BEVERAGE*	--	Amul Cadbury GSK Horlicks Heinz	Amul Cadbury GSK Horlicks Heinz	Amul Cadbury GSK Horlicks Heinz	Amul Cadbury GSK Horlicks Heinz	Amul Cadbury GSK Horlicks Heinz	--
DAIRY WHITNER**	Amul	Amul Nestle Britannia	Amul Nestle Britannia	Amul Nestle Britannia	Amul Nestle Britannia	--	--
INFANT MILK FOOD	Amul	--	Amul Nestle	Amul Nestle	Amul	--	--
UHT MILK	Amul	--	--	--	--	--	--
CHOCOLATE	Amul	Amul Cadbury Nestle	Amul Cadbury	Amul Cadbury Nestle	Amul Cadbury Nestle	Amul Cadbury Nestle	Amul Cadbury

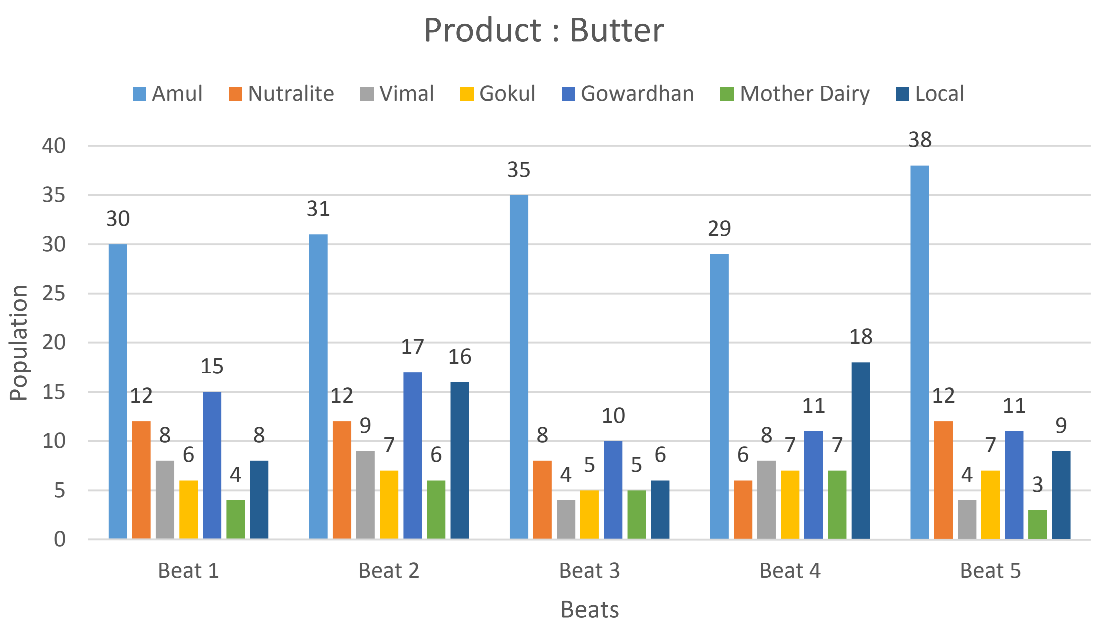
*MALT BEVERAGE: Amul (Amul Pro), Cadbury (Bournvita), GSK (Boost), Horlicks, Heinz (Complan)

**DAIRY WHITNER: Amul (Amulya, Spray), Nestle (Every Day), Britannia (Dairy Whitner)

Graphical Representation of Data






Product : Butter
Amul
Nutralite
Vimal
Gokul
Gowardhan
Mother Dairy
Local
Population
Beats
Beat 1
Beat 2
Beat 3
Beat 4
Beat 5
0
5
10
15
20
25
30
35
40
30
12
8
6
15
4
8
31
12
9
7
17
6
16
35
8
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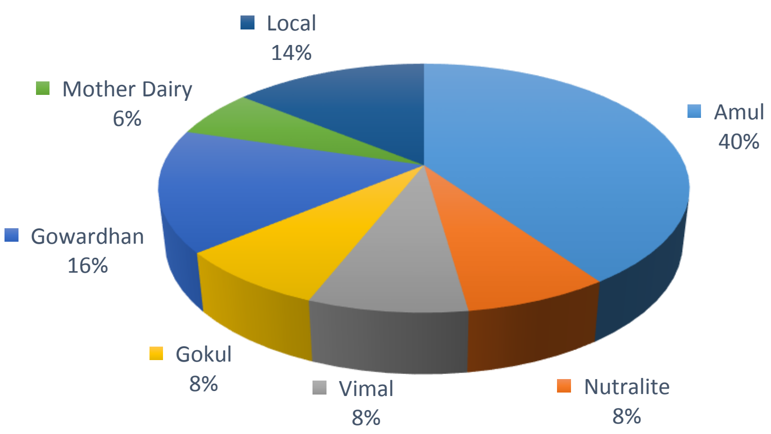
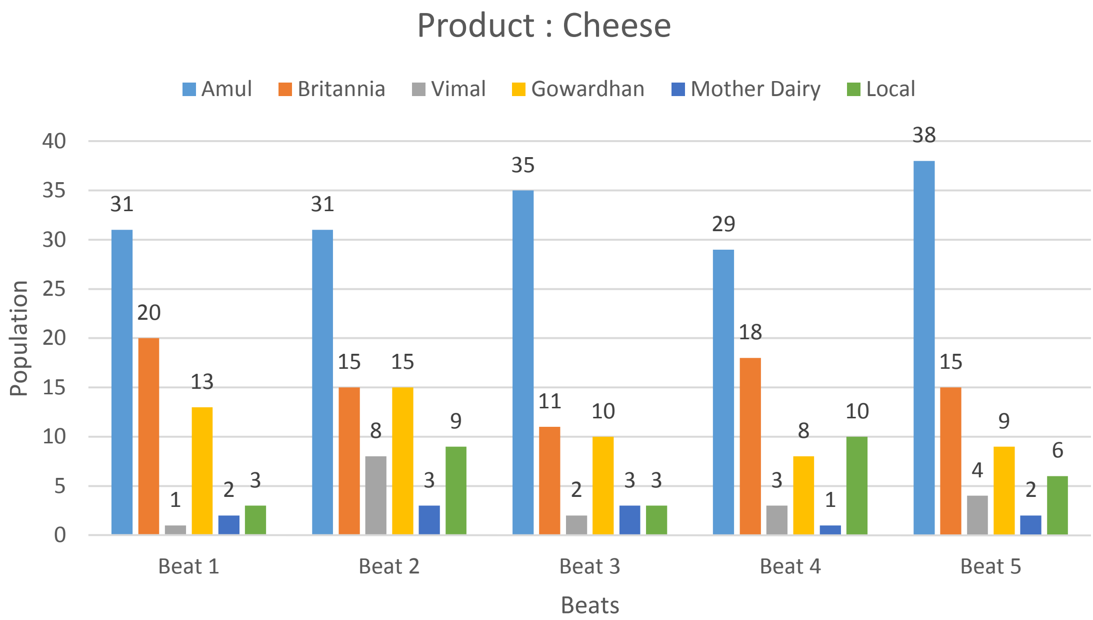
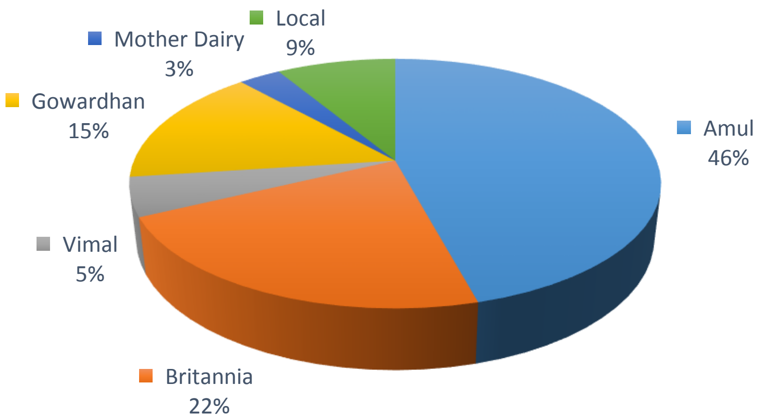
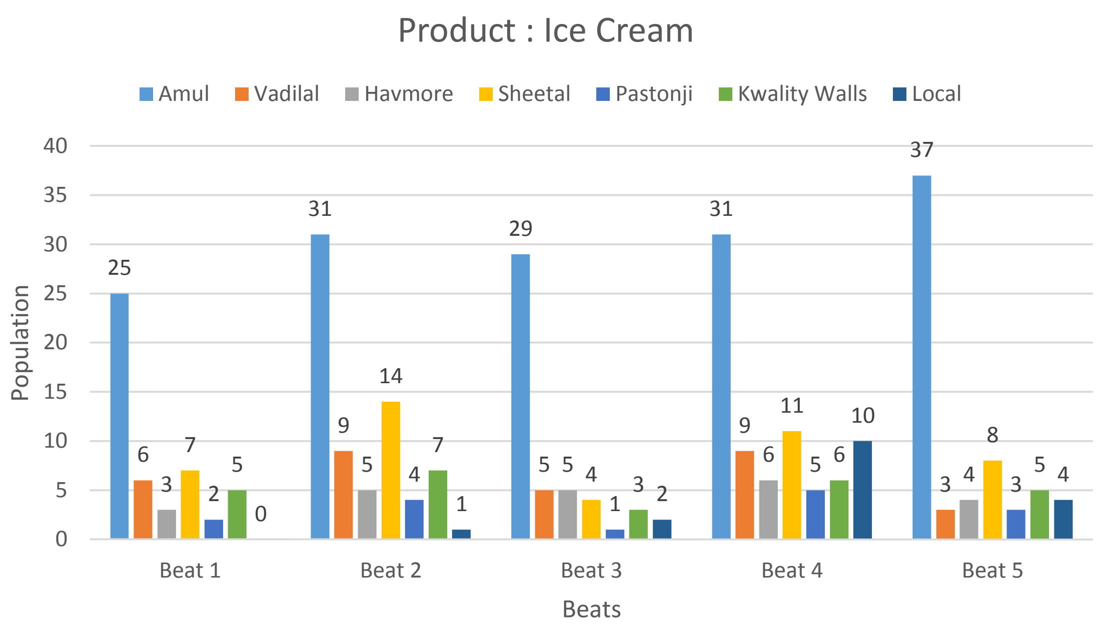
7
11
7
18
38
12
4
7
11
3
9


Local 14%
Mother Dairy 6%
Gowardhan 16%
Gokul 8%
Vimal 8%
Nutralite 8%
Amul 40%


Product : Cheese
Amul
Britannia
Vimal
Gowardhan
Mother Dairy
Local
Population
0
5
10
15
20
25
30
35
40
31
20
1
13
2
3
31
15
8
15
3
9
35
11
2
10
3
3
29
18
3
8
1
10
38
15
4
9
2
6
Beat 1
Beat 2
Beat 3
Beat 4
Beat 5
Beats


Local
9%
Mother Dairy
3%
Gowardhan
15%
Amul
46%
Vimal
5%
Britannia
22%



Product : Ice Cream
Amul
Vadilal
Havmore
Sheetal
Pastonji
Kwality Walls
Local
Population
Beats
Beat 1
Beat 2
Beat 3
Beat 4
Beat 5
0
5
10
15
20
25
30
35
40
25 6 3 7 2 5 0
31 9 5 14 4 7 1
29 5 5 4 1 3 2
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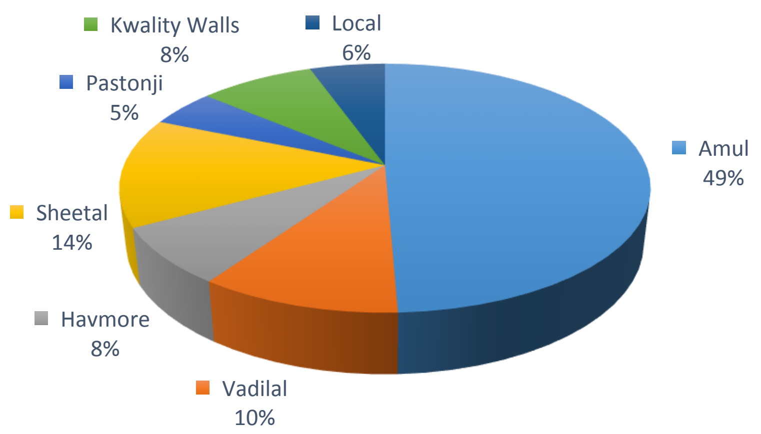
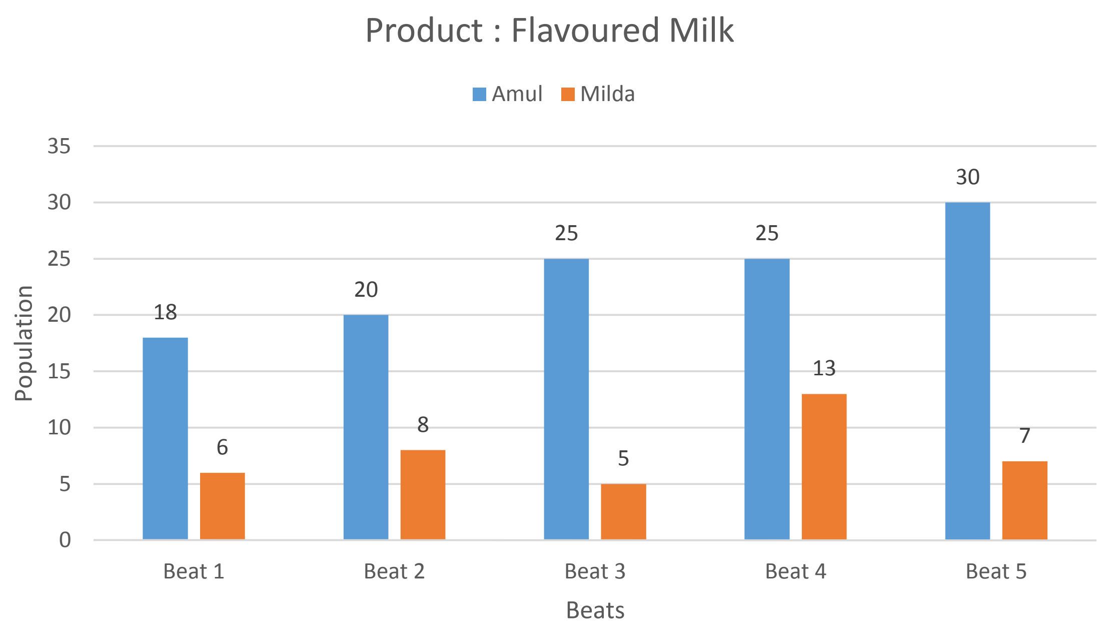
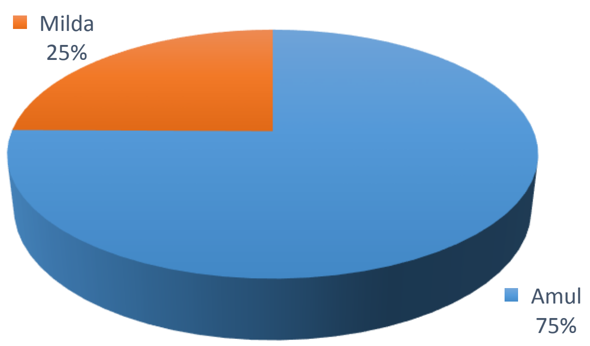
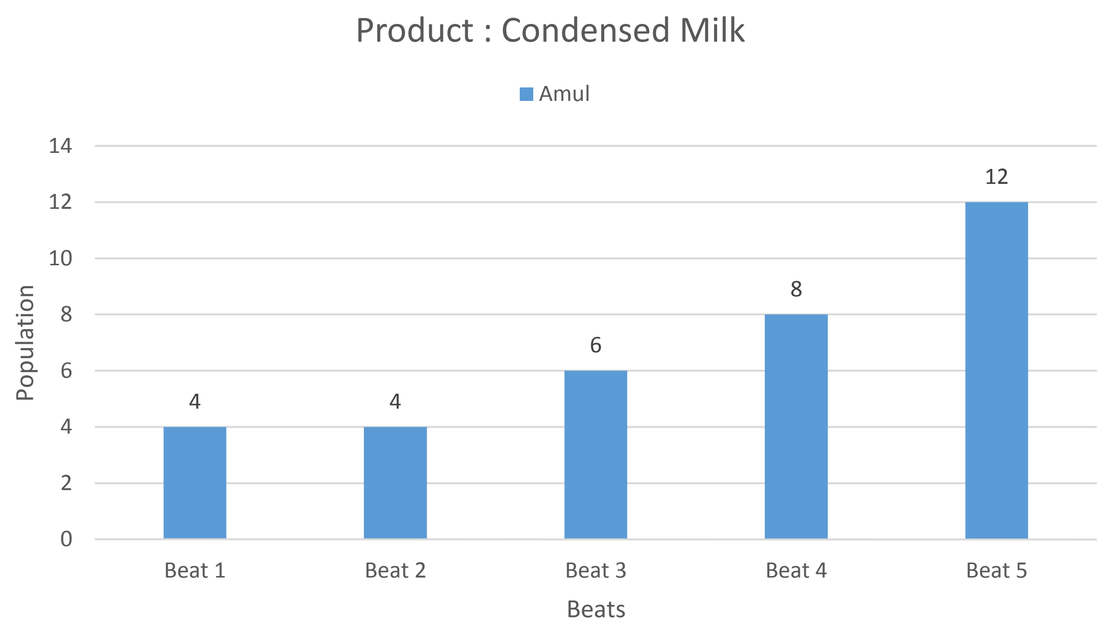
37 3 4 8 3 5 4

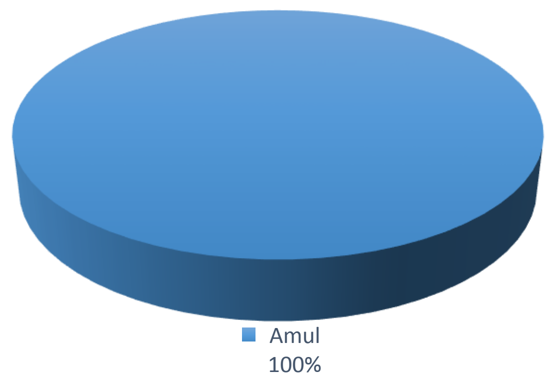


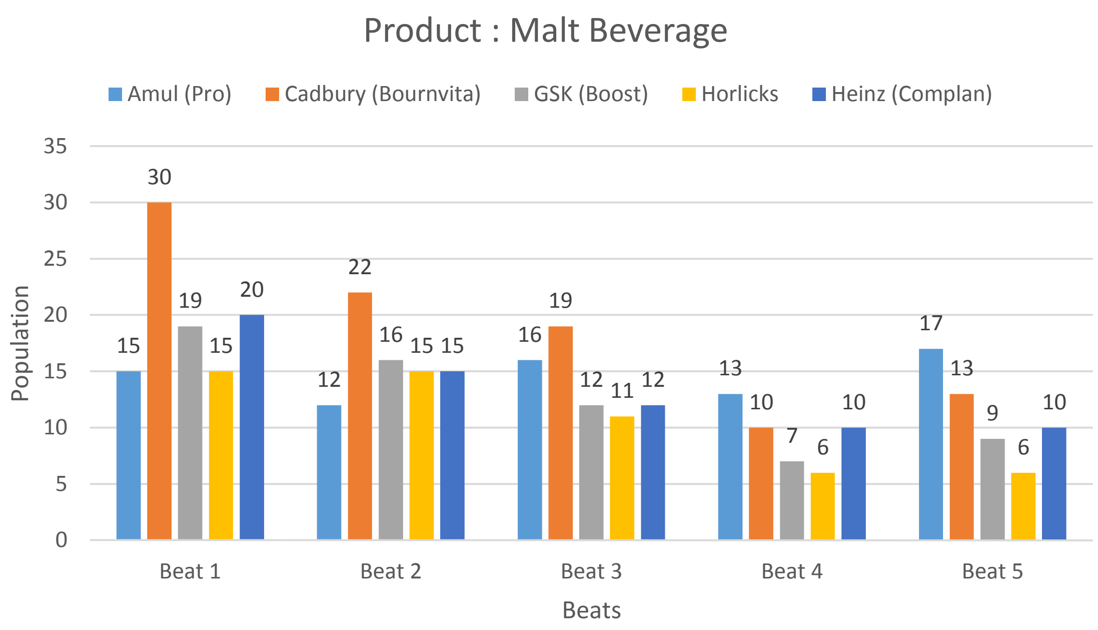
Kwality Walls 8%
Local 6%
Pastonji 5%
Amul 49%
Sheetal 14%
Havmore 8%
Vadilal 10%

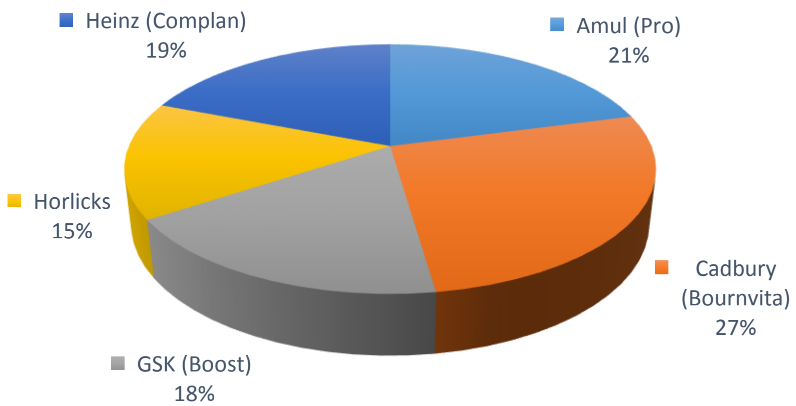

Product : Flavoured Milk
Amul
Milda
Population
Beats
Beat 1
Beat 2
Beat 3
Beat 4
Beat 5
35
30
25
20
15
10
5
0
18
6
20
8
25
5
25
13
30
7

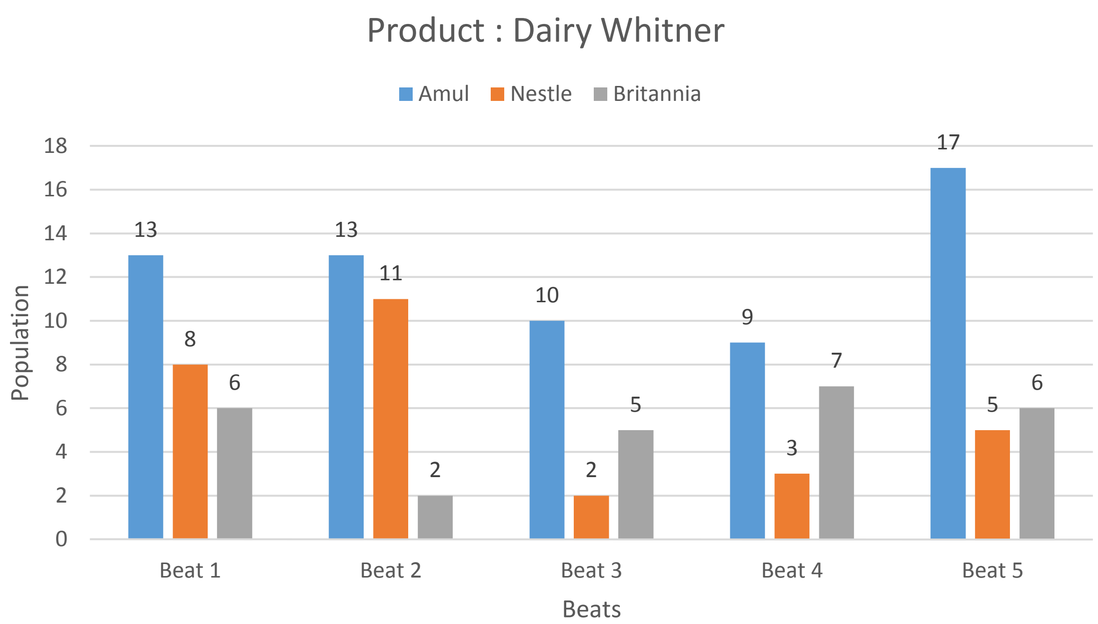

Milda
25%
Amul
75%

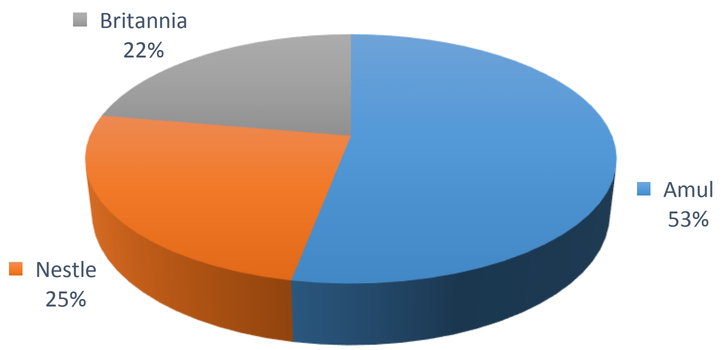

Product : Condensed Milk
Amul
14
12
10
8
6
4
2
0
Population
4
4
6
8
12
Beat 1
Beat 2
Beat 3
Beat 4
Beat 5
Beats

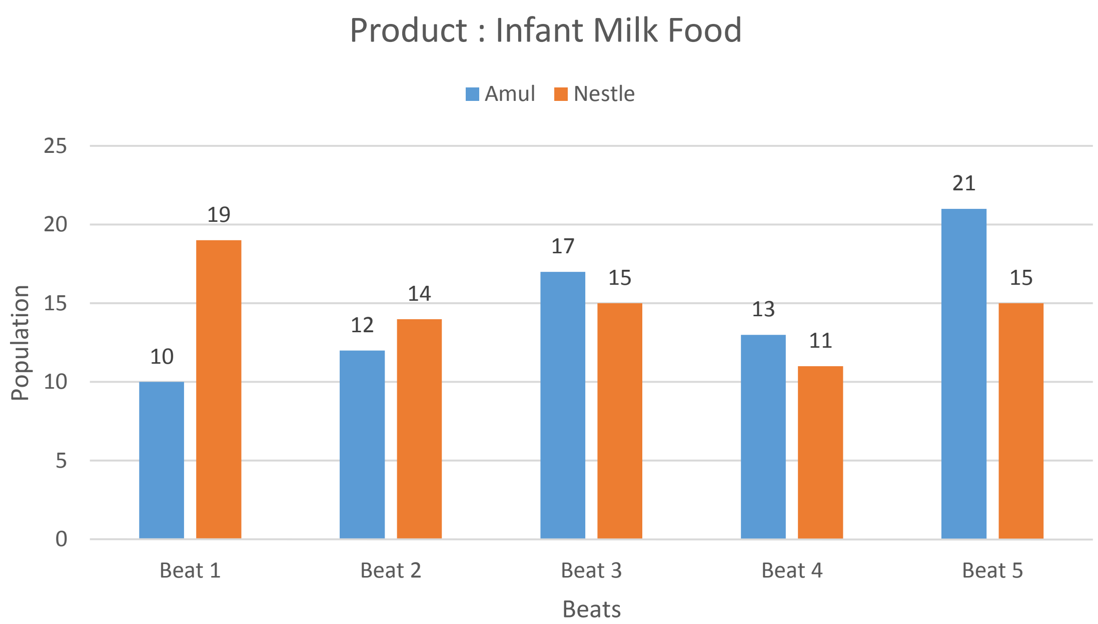

Amul
100%

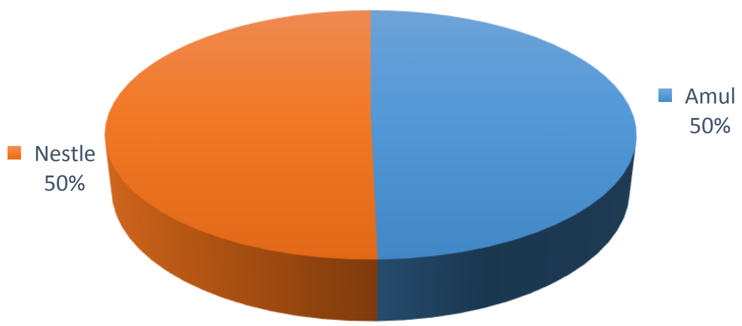

Product : Malt Beverage
Amul (Pro)
Cadbury (Bournvita)
GSK (Boost)
Horlicks
Heinz (Complan)
Population
0
5
10
15
20
25
30
35
15
30
19
15
20
12
22
16
15
15
16
19
12
11
12
13
10
7
6
10
17
13
9
6
10
Beat 1
Beat 2
Beat 3
Beat 4
Beat 5
Beats

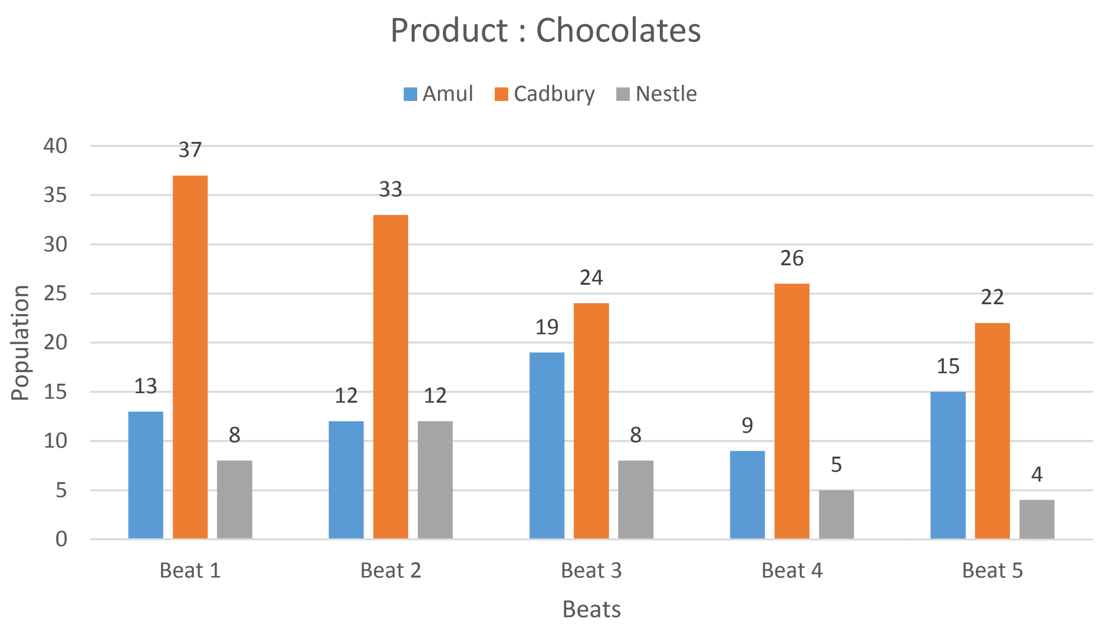

Heinz (Complan)
19%
Amul (Pro)
21%
Horlicks
15%
Cadbury
(Bournvita)
27%
GSK (Boost)
18%

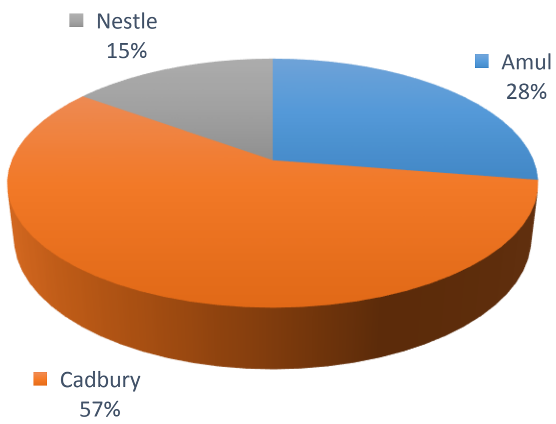

Product : Dairy Whitner
Amul
Nestle
Britannia
Population
18
16
14
12
10
8
6
4
2
0
13
8
6
13
11
2
10
2
5
9
3
7
17
5
6
Beat 1
Beat 2
Beat 3
Beat 4
Beat 5
Beats


Britannia
22%
Amul
53%
Nestle
25%


Product : Infant Milk Food
Amul
Nestle
Population
25
20
15
10
5
0
19
10
12
14
17
15
13
11
21
15
Beat 1
Beat 2
Beat 3
Beat 4
Beat 5
Beats


Nestle
50%
Amul
50%


Product : Chocolates
Amul
Cadbury
Nestle
Population
40
35
30
25
20
15
10
5
0
37
33
24
26
22
13
12
12
19
9
15
8
8
5
4
Beat 1
Beat 2
Beat 3
Beat 4
Beat 5
Beats


Nestle
15%
Amul
28%
Cadbury
57%

Annexure

(Annexure – I)

FEEDBACK FORM

This feedback form is an attempt to understand our student and his strength and weakness observed during his summer internship training. This will be used in grooming him accordingly, during the second year of the MBA program. Your co-operation will help the student to prepare for a better future.

Name of Student Intern : Mr. Paras Pradip Adesara
Name of Company Mentor : Mr. Mehul Srivastawa, (Senior Executive- Sales)
Name of Company Guide : Mr. Deven Bhatt (Senior Marketing Executive)
Name of the Organization : Amul – GCMMF Ltd.

Please evaluate the intern's performance on scale of 1 to 5
(1 : Poor , 2 : Limited/Minimal , 3 : Average , 4 : Above Average , 5 : Excellent)

Areas of Assessment	1	2	3	4	5
Ability to communicate well the ideas, suggestions or concerns to authorities				✓	
Receptiveness towards instructions, suggestions and feedback given by others					✓
Present knowledge base of the student				✓	
Ability to co-operate with colleagues and work in a team				✓	
Ability to assume leadership when needed				✓	
Ability to being punctual in work assigned				✓	
Abide by company rules and regulations				✓	
Ability to achieve the specified targets				✓	
Ability to meet deadlines				✓	
Ability to stand accountable for work done				✓	
Level of accuracy in work done				✓	
Takes initiative to get a job done, even if not specifically told to do so				✓	
Willingness to learn new skills and enhance existing technical skills					✓

Overall Evaluation

[✓] Excellent [ ] Good [ ] Average [ ] Novice [ ] Poor

Given your expectations for this internship, this student's overall performance (in comparison with all other students performing similar duties) was in

[ ] Top 5 % [✓] Top 25 % [ ] Top 50 % [ ] Lower of 50 % of all students

How would you assess the intern's overall performance?

[✓] Outstanding [ ] Above Average [ ] Satisfactory [ ] Below Average [ ] Unsatisfactory

Please discuss whether this student successfully completed the learning objectives you discussed and whether your expectations were met or exceeded.

[✓] Most definitely [ ] Accepted [ ] Average [ ] Does not meet [ ] Unsatisfactory

What would you recommend for this student to do following his internship to make him better prepare for the work-place? Please be as specific as possible

[✓] Focused and attentive [✓] Yes [ ] Average [ ] No
[ ] Gain more domain knowledge
[ ] Vocational training required
[✓] Attitude and Acceptance [✓] +VE [ ] -VE
[ ] Skill acquisition required
[✓] Communication and confidence [✓] +VE [ ] -VE

Does your organization give Pre Placement Offers (PPO) to desired candidates?

[ ] Yes [ ] No [✓] as per corporate HR guidelines

Kindly provide contact details of the HR person / or the campus placement in charge for the final placement process.

Providing [ ] Yes [✓] No
Name
Designation
Contact Number
Email ID

Mehul Srivastava

For,
AMUL – GCMMF Ltd.

GUJARAT CO-OP. MILK
MARKETING FEDERATION LTD.
Opp. Old Pilot Dairy,
Kankaria, Ahmedabad-380023.

Thank You with Best Wishes

MBA Program
Amrut Mody School of Management
Ahmedabad Unversity

(Annexure – II)

Progress Report and Gantt chart of Project Work

Submitted By : **Paras Pradip Adesara**
(A 02) – Master of Business Administration (MBA) 1
Amrut Mody School of Management, Ahmedabad University

Project For : **Amul – GCMMF *(Gujarat Co - Operative Milk Marketing Federation)* Ltd.**

MONTH	**APRIL**					**MAY**									**JUNE**				
DATES	**14**	**18**	**22**	**26**	**30**	**1**	**4**	**8**	**12**	**16**	**20**	**24**	**28**	**31**	**1**	**8**	**16**	**24**	**30**
P1																			
P2																			
P3																			
P4																			
P5																			
P6																			
P7																			
P8																			
P9																			

***Notations**

	Continues Working Process
	Lagging in Continues Working Process

***Abbreviations**

P1	Understanding the Operations and SCM System of Amul – GCMMF Ltd.
P2	Market Research of Beats of Distribution Network Channel
P3	Data Collection of Beats
P4	Data Analysis of Beats
P5	Analysis of Operations and Trends of Distributor and Amul – GCMMF Ltd.
P6	Understanding and Analysis of Past Six Month Sales Trends for Beats
P7	Conclusion of Analysis and Beat Restructuring Process Accordingly
P8	Project Final Touch Up
P9	Presentation, Final Report, Graphical Representation and Wrap-up of Project

(Annexure – III)

Fortnightly Activity Reports

Paras P Adesara-(A-02)

Fortnightly Activity Report for Summer Internship

Amrut Mody School of Management – MBA Program
Ahmedabad University

Project Title:**'RESTRUCTURING OF BEATS IN AHMEDABAD TO IMPROVE THE DISTRIBUTION'.**
Project guide details (Company): Mr. Mehul Srivastav, Marketing Manager in GCMMF-Amul.
Name: Paras P. Adesara (A-02)
Designation: Intern- Beat Restructurer
Department: Marketing (& Distribution)
Company: Gujarat Co-Operative Milk Marketing Federation

Fortnight – 1
Date – from 14th April,2014 to 5th May,2014 (Working days excluding Supplementary exam)

Brief explanation of the task assigned	In Ahmedabad's outskirts like Nikol,Naroda,Krishna-nagar & Mithakhali Amul-GCMMF is downgrading in it's distribution network. It's efficiency to reach it's retailers and customers are lower than other competitors. Huge market for Amul in outskirts of A'bad. But due to scattered beats Amul's distribution is weak. Distributors cannot assemble retailers in separate beats. So our task is to identify & organize the different routes of distribution to cover all the retailers in minimum possible day-time.
Brief explanation of how the task was done	In first 15 days we understood whole process of how products reach to retailers and end customers from manufacturers. We(Group of two) accompanied Marketing Representative of Amul-distributer in their different routes separately and notified some of the routes of distribution
Difficulties in meeting the current goals	Only one difficulty is transportation. Ahmedabad outskirts & GCMMF-Amul office are far from where we are living now. It takes daily 2.5 hours of journey.
Task(s) for the next fortnight	Collection of details of each and every retailer

Satisfaction levels of the student with the work during F-1	:-	Satisfied

For Company Guide

Satisfaction level of the company guide from the work of the student :- Satisfied

Other remarks :
Distributors are supportive and willing to resolute distribution.
SIP days(dates) : April,2014: 14,15,16,17,18,19,21,22,25,26,28,29. May,2014 : 3,4,5.

Mehul Srivastava
Signature
Company Guide

Date : 6th May,2014.

GUJARAT CO-OP. MILK
MARKETING FEDERATION LTD.
Opp. Old Pilot Dairy,
Kankaria, Ahmedabad-380023.

Paras P Adesara-(A-02)

Fortnightly Activity Report for Summer Internship
Amrut Mody School of Management – MBA Program
Ahmedabad University

Project Title: **'RESTRUCTURING OF BEATS IN AHMEDABAD TO IMPROVE THE DISTRIBUTION'.**
Project guide details (Company): Mr. Mehul Srivastav, Marketing Manager in GCMMF-Amul.
Name: Paras P. Adesara (A-02)
Designation: Intern- Beat Restructurer
Department: Marketing (& Distribution)
Company: Gujarat Co-Operative Milk Marketing Federation

Fortnight – 2
Date – from 6th May to 20th May,2014.

Brief explanation of the task assigned	Data collection and data analysis of each and every retailers coming under the area distributor(Rushabh Marketing). We need to reach to each retailer for information about storage,competitors of Amul, satisfaction level towards service given by distributor, complains and any resolution needed by him.
Brief explanation of how the task was done	We filled survey forms comprising information about retailer's details. There are about 200 retailers from which we reached about 110 retailers.
Difficulties in meeting the current goals	Some of the retailers were unwilling to give details.
Task(s) for the next fortnight	To reach the remaining retailers and to analyse the collected data.

Satisfaction level of the student with the work during F-2	:-	Satisfied

For Company Guide

Satisfaction level of the company guide from the work of the student :-	Satisfied

Other remarks (if any)

We met area manager Mr. Deven Bhatt,who is receiving our inputs and guiding us right now.

Mehul Srivastava

Signature

Company Guide

Date : 20th May,2014.

GUJARAT CO-OP. MILK MARKETING FEDERATION LTD.
Opp. Old Pilot Dairy,
Kankaria, Ahmedabad-380023.

Fortnightly Activity Report for Summer Internship
Amrut Mody School of Management – MBA Program(2013-15)
Ahmedabad University

Project Title:'**RESTRUCTURING OF BEATS IN AHMEDABAD TO IMPROVE THE DISTRIBUTION'.**
Company: Gujarat Co-Operative Milk Marketing Federation
Project guide details(Company): Mr. Mehul Srivastav, Senior Executive – Sales, GCMMF-Amul.
Name: Paras P. Adesara (A-02)
Designation: Intern- Beat Restructurer
Department: Marketing (& Distribution)

FORTNIGHT REPORT 3 *(From 21st May to 4th June 2014 – Excluding Sundays)*

Brief explanation about the task assigned	Data analysis of the complete data we have collected and compare them with past six month data extracted from Amul-GCMMF server and re-analysis of all data to identify the vulnerability, leads and lags throughout the distribution network assigned to us.
Brief explanation about how the task was done	Analysis of collected data through spreadsheet and extracting past six month data from SAP (System, application and Products) and distributor's CRM (Customer Relationship Management) system.
Difficulties in meeting the current goals	While extracting the external data, sometimes ISP (Internet Service Provider) of Amul-GCMMF / Web hosting service got down for a fraction and the whole data need to be extracted again.
Tasks for the next fortnight report	Final touch up of the project and wrap up with detailed report documentation and presentation.

Satisfaction level of the student with the work during fortnight – 3	Satisfied
Satisfaction level of the company guide from the work of the student	Satisfied

* **Remarks** (if any)

Mehul Srivastava
Mr. Mehul Srivastava
Senior Executive – Sales, Gujarat
Amul – GCMMF Ltd.
Ahmedabad, Gujarat
(Company Guide)

Date : 4th June 2014

GUJARAT CO-OP. MILK
MARKETING FEDERATION LTD.
Opp. Old Pilot Dairy,
Kankaria, Ahmedabad-380023.

Fortnightly Activity Report for Summer Internship
Amrut Mody School of Management – MBA Program (2013-15)
Ahmedabad University

Project Title: **'RESTRUCTURING OF BEATS IN AHMEDABAD TO IMPROVE THE DISTRIBUTION'.**
Company: Gujarat Co-Operative Milk Marketing Federation-Amul.
Project guide details(Company): Mr. Mehul Srivastav, Senior Executive - Sales, GCMMF-Amul.
Name: Paras P. Adesara (A-02)
Designation: Intern- Beat Restructurer
Department: Marketing (& Distribution)

FORTNIGHT REPORT 4 *(From 5th June to 21th June 2014 – Excluding Sundays)*

Brief explanation about the task assigned	According to the output, finalizing the result whether beat needs to be restructured or not. Final touch up of the project and wrap up with detailed report and presentation.
Brief explanation about how the task was done	By finishing analysis and discussion with the senior guide at Amul-GCMMF, we came to conclusion whether beat has to be restructure or not.
Difficulties in meeting the current goals	
Tasks for the next fortnight report	

Satisfaction level of the student with the work during fortnight – 4	Satisfied
Satisfaction level of the company guide from the work of the student	Satisfied

* **Remarks** (if any)

Mehul Srivastava

Mr. Mehul Srivastava
Senior Executive – Sales, Gujarat
Amul – GCMMF Ltd.
Ahmedabad, Gujarat
(Company Guide)

Date : 23th June 2014

GUJARAT CO-OP. MILK
MARKETING FEDERATION LTD.
Opp. Old Pilot Dairy,
Kankaria, Ahmedabad-380023.

Conclusion

Conclusion and Findings

The project entitled "Beat Restructuring of Distribution Network Channel" has been allotted by AMUL –GCMMF Ltd. In a form of group of two members. We, Paras Adesara (A 02) and Rushi Langaliya (A 19) were in the same group and has been carried out the same project work together for our summer internship.

Our findings and conclusions are as below,

- Total outlets we have allocated in this project was 191 from the area of Nikol, Naroda, Bapunagar and Vastral from Ahmedabad.
- Proposed restructured beats are based on the each retailers' sales trend of past six months, which has been reanalyzed during this internship and we have allocated the different beats to different retailers based on their sales trend, profitability, market presence, goods requirements by retailer and area they have been situated.
- Some retailers have been separated in different beats according to their requirement and sales trend.
- Basically beats have been served twice a week but, according to requirement, some separated beats have been served thrice a week and on call service is also applicable for some of the beats.
- APO (Amul Parlor Only) has separate beat which has been served daily.
- Retailer claims that they are more interested in plastic packaging and tetra pack packaging instead of glass bottle packaging. Reason behind that is margin and profit after using the different packaging.
- We have proposed to break beat no. 5 in to two different beat such as beat 5 A and beat 5 B with respect to their requirement based on sales and area distribution.
- We have also proposed one separate beat named as beat 2 for the Pareto counters of nikol area and separate them from combined beat of nikol along with other different areas.
- We got proper idea regarding modern trend of supply chain system and distribution management system of FMCG and dairy industry along with logistic facility.

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Notes

Notes

Scratch Pad