

7. Amul Ranked 1st Cooperative in World - Economy

Amul's parent ranks top at ICA World Cooperative Monitor 2025 — Details here. Amul (GCMMF) and IFFCO have been ranked as the top two global cooperatives in the ICA World Cooperative Monitor 2025, based on the ratio of turnover to GDP per capita. In India, cooperatives are a Fundamental Right under the 97th Amendment (Article 19) and are supported by the Ministry of Cooperation, though they still face challenges like weak governance and poor access to credit.

Global Cooperative Rankings

Key Report - The ICA World Cooperative Monitor 2025 rankings have been released.

Top Rank - Amul's parent company, the Gujarat Cooperative Milk Marketing Federation Ltd (GCMMF), has been ranked as the number one co-operative in the world.

Details on the Rankings and Honourees

Ranking Methodology - The ranking is calculated based on a specific ratio - turnover over gross domestic product (GDP) per capita.

About Amul (Rank 1)

Structure - Amul operates on a three-tier cooperative structure.

Scale - This vast network encompasses -

1. More than 18,600 village dairy cooperatives.
2. 36 lakh milk producers.

Membership - The majority of these milk producers are women.

Ownership Model - Amul is a brand that is owned entirely by farmers. The farmers themselves manage the entire supply chain, from milk collection and manufacturing to marketing.

About IFFCO (Rank 2)

Organization - The Indian Farmers Fertiliser Cooperative Limited (IFFCO) was ranked second in the ICA World Cooperative Monitor 2025 rankings.

Historical Performance - IFFCO has maintained its No. 1 rank for several years previously, which is noted as a testament to its management and adherence to cooperative principles.

Foundation - IFFCO was founded in 1967.

Profile - It is one of the world's largest cooperative fertiliser producers.

Monitor world cooperative monitor

Purpose - This is a project designed to collect robust economic, organizational, and social data about cooperatives worldwide.

Publication - The monitor reports on the world's largest cooperatives, and its publication includes -

1. Rankings of the Top 300 cooperatives.
2. Detailed sectoral analysis.

International Cooperative Alliance (ICA)

Identity - The ICA is a non-profit international association.

Establishment - It was established in 1895.

Mission - Its primary goal is to advance the cooperative social enterprise model globally.

Function - The ICA actively works with global and regional governments and organizations to help create legislative environments that allow cooperatives to form and grow.

Cooperatives

Core Definition - A cooperative (or co-op) is an organization or business that is owned and operated by a group of individuals who share a common interest, goal, or need.

Governance - These individuals, known as members, participate in the cooperative's activities and decision-making process. Decision-making typically operates on a democratic one-member, one-vote basis, regardless of the amount of capital or resources each member contributes.

Main Purpose - The primary objective is to meet the economic, social, or cultural needs of its members. This is distinct from other business models as the goal is not to maximize profits for external

shareholders.

Global Recognition (UN SDGs) – The UN Sustainable Development Goals (SDGs) recognize cooperatives as crucial drivers of sustainable development. They are seen as particularly vital for reducing inequality, promoting decent work, and alleviating poverty.

97th Constitutional Amendment Act 2011 (India) – This amendment significantly strengthened the legal standing of cooperatives in India –

Fundamental Right – It established the right to form cooperative societies as a Fundamental Right under Article 19.

Directive Principle – It included a new Directive Principle of State Policy (DPSP) on the Promotion of Cooperative Societies (Article 43-B).

New Constitutional Part – It added a new Part IX-B to the Constitution, titled “The Co-operative Societies” (covering Articles 243-ZH to 243-ZT).

Legislative Authority – It authorizes Parliament to establish relevant laws for multi-state cooperative societies (MSCS) and state legislatures for all other cooperative societies.

Benefits of Cooperatives

Democratic Control – Members have a direct and equal voice in decision-making (one-member, one-vote).

Economic Participation – Profits are typically distributed back to members based on their usage or contribution (patronage), not based on the capital they invested.

Community Focus – Co-ops are inherently focused on benefiting their local communities by keeping resources and profits within that group.

Better Services/Prices – By pooling resources and operating collectively, cooperatives can often offer better services or more competitive prices to their members than for-profit businesses.

Challenges Faced by Cooperatives

Weak Governance – Cooperatives can suffer from issues of poor management, corruption, and political interference, which leads to inefficiency and a lack of transparency.

Limited Access to Credit – Many cooperatives struggle to access financing from traditional banks, which hinders their ability to expand operations or invest in improvements.

Competition from Private Sector – Co-ops face stiff competition from large private enterprises and multinational corporations, which often have more resources.

Technological Gaps – Many cooperatives, especially in rural areas, lack access to modern technology or are slow to adopt new systems that could improve their efficiency.

Legal Framework and Support for Cooperatives in India

Governing Law – Cooperatives in India are governed by the Cooperative Societies Act, which is implemented at both the state and national levels.

The Multi-State Cooperative Societies Act (2002) – This specific central law regulates cooperatives that operate in more than one state.

The National Cooperative Policy (2002) – This policy was aimed at creating an enabling environment for the cooperative movement, focusing on improving governance, member participation, and financial sustainability.

The Ministry of Cooperation – This new ministry was established in 2021. It has a specific focus on supporting the growth of cooperatives in India, including reforming their governance and providing financial support.

Way Ahead

Cooperatives in India have proven to be an essential tool for economic empowerment, especially for marginalized groups, and contribute significantly to rural development. With the right support and reforms (addressing governance, finance, and technology challenges), cooperatives can continue to be major contributors to inclusive growth and social development in India.

Source – <https://www.livemint.com/companies/news/amuls-parent-ranks-top-at-ica-world-cooperative-monitor-2025-rankings-details-here-11762279760389.html>

