

Mother Dairy Reaps Bonanza Via Cash Card

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New Delhi: Mother Dairy, the leading milk supplier in New Delhi and the National Capital Region, has reaped a bonanza with the demonetisation of high-denomination notes: its prepaid SmartChange Card has become a roaring hit. The dairy cooperative continues to accept the old notes to store up to ₹3,000 per card for the purchase of milk and other offerings such as fruits and vegetables.

The card was launched in August 2014 to encourage cashless transactions and ease problems of returning

CASH COW
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change. Since then, Mother Dairy has sold 75,000 cards. The pace of sales shot up sharply in the first 10 days since the November 8 demonetisation, with customers picking up 40,000 cards collectively valued at ₹6 crore, averaging ₹1,500 per card.

Now that the government has extended the use of old ₹500 notes to December 15, another 20,000 cards are expected to be sold at the 750 Mother Dairy milk outlets and Safal stores, which sell fruits and vegetables.

"The demonetisation and allowing old currency notes to be exchanged at Mother Dairy outlets to buy the cash cards have been a boon. We have got a windfall of new customers. Earlier, the customers wanted to finish their old notes, but now they are seeing the benefit of having a card," said Sandeep Ghosh, business head - milk at Mother Dairy Fruit & Vegetable.

According to Ghosh, the daily transactions through these cards has jumped from 10,000 to 35,000. "The average spend through these cards has also increased. Earlier, consumers were on an average spending ₹80 per card per transaction. Now it has gone up to ₹95 per card per transaction," said Ghosh.