

Price of milk

†1087. SHRI BALAVANT ALIAS BAL APTE: Will the Minister of AGRICULTURE be pleased to state:

- (a) whether there is constant increase in the prices of DMS, Mother Dairy, Amul and other brands of milk in a very short time span in the current and last two years;
- (b) if so, the details thereof along with the reasons therefor;
- (c) the reaction of Government thereto; and
- (d) the remedial measures taken by Government in this-regard?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. K.V. THOMAS): (a) and (b) DMS, Mother Dairy, Amul and other brands have increased the sale price of milk during last two years due to:

- (i) Increase in procurement price of milk to compensate the farmers for the rising cost of milk production.
- (ii) Increase in the price of fodder due to drought conditions in 2009.
- (iii) Increase in the price of cattle feed by over 50% during the last two years.

(c) and (d) The price of milk is not regulated by Central Government. The Government has taken following measures to augment the availability of liquid milk and to stabilize the prices of milk and milk products in the domestic market:

- (i) National Dairy Development Board has been allowed to import 30,000 MT of milk powder and 15,000 MT of Butter Oil/Anhydrous Milk Fat (AMF) with 0% import duty for reconstitution of milk by state milk federations and metro dairies to meet domestic demand of liquid milk.
- (ii) All State Governments have been requested to exempt/reduce VAT on molasses and other cattle feed ingredients used in the manufacture of cattle feed to reduce the cost of cattle feed.
- (iii) Withdrawn export incentives under Vishesh Krishi Vikas Udyog Yojna (VKGUY) for milk products to increase its domestic availability.

†Original notice of the question was received in Hindi.