

GOVERNMENT OF INDIA
MINISTRY OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING

RAJYA SABHA
UNSTARRED QUESTION NO. 226
TO BE ANSWERED ON 24TH JULY, 2024.

RATIONALIZING PRICE OF MILK

226. SHRI RAGHAV CHADHA:

Will the Minister of Fisheries, Animal Husbandry and Dairying be pleased to state:

- (a) Whether Government has taken any steps to tap milk price and increase the income of farmers and also to boost the production/supply/ imports which are required in the coming months;
- (b) Whether Government is aware that the milk inflation is at its current high of 8-9 percent and if so, the measures taken to ease the burden consumers face due to high milk prices; and
- (c) Whether Government has any plan to encourage small farmers to continue producing milk in light of the high prices of animal fodder and if so, the details thereof?

ANSWER

THE MINISTER OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING

(SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH)

- (a) As a result of Government of India's (GoI) prudent policy interventions, India is ranked 1st in milk production contributing 25 percent of global milk production. Milk production is growing at annual growth rate of about 6% over the past 9 years whereas world milk production is growing at 2.1% per annum. Department of Animal Husbandry & Dairying (DAHD) does not regulate the procurement price and sale prices of milk in the country. These prices are decided by the cooperative and private dairies based on their cost of production and market forces. However, this Department is implementing the following Dairy Development schemes to complement and supplement the efforts for milk production and milk processing infrastructure made by the State Government:
 - i. National Programme for Dairy Development (NPDD)
 - ii. Supporting Dairy Cooperatives & Farmer Producer Organisations engaged in dairy activities (SDCFPO)

- iii. Animal Husbandry Infrastructure Development Fund (AHIDF)
 - iv. Rashtriya Gokul Mission (RGM)
 - v. National Livestock Mission (NLM)
 - vi. Livestock Health and Disease Control Programme (LHDCP)
- (b) In June 2024, the provisional inflation rate (Year on Year) for milk is 3.37 compared to 10.87 for food articles based on the Whole sale Price Index (WPI). Similarly, the provisional inflation rate for Consumer Price Index (CPI) (YoY) for milk in June 2024 is 3.00, and the Consumer Food Price Index is 9.36. The above figures exhibit that milk inflation rates are substantially lower than those of food.
- (c) The schemes mentioned in the part (a) above, help in improving milk productivity of bovines, enhancing availability of feed and fodder and providing animal health services. In addition to above, DAHD closely monitors the dairy industry in the country and implements necessary policy measures in consultation with relevant stakeholders to support the interests of farmers. The feed & fodder accounts for more than 70% of the cost of milk production. De-oiled Rice Bran (DoRB) plays a significant role in the production of cattle feed, accounting for about 40% of the raw materials used. To ensure stability in cattle feed prices and subsequently in producer and consumer milk prices, the export of DoRB was prohibited for a period of 6 months until November 30, 2023. This ban was later extended until March 31, 2024, and subsequently until July 31, 2024.
