

GOVERNMENT OF INDIA
MINISTRY OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING
RAJYA SABHA
UNSTARRED QUESTION NO 2937
TO BE ANSWERED ON 18TH MARCH 2026

DECLINING MILK PRODUCER INCOMES

2937. SMT. RAJANI ASHOKRAO PATIL:

Will the Minister of FISHERIES, ANIMAL HUSBANDRY AND DAIRYING be pleased to state:

- (a) trends in milk procurement prices;
- (b) impact of rising input costs on dairy farmers;
- (c) support provided through cooperatives; and
- (d) reasons why farmers' income remain volatile despite dairy sector growth?

ANSWER

THE MINISTER OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
(SHRI RAJIV RANJAN SINGH ALIAS LALAN SINGH)

(a) Department of Animal Husbandry and Dairying (DAHD), Government of India (GoI) does not regulate the procurement prices of milk. Prices of milk are decided by the cooperative and Private dairies based on their cost of production, stocks of dairy commodities (White Butter, Skimmed Milk Powder (SMP) etc.) and prevalent market forces at domestic and international level. However, DAHD, GoI regularly monitors the milk situation in the country in consultation with the State Milk Federations/ stakeholders to review the milk situation in the country. Based on inputs received from the respective State Milk Federations/ District Milk Unions, the average milk procurement price shows a rising trend. In January 2026, the average procurement price recorded a rise to Rs 49.04 per kg of milk containing 6% fat and 9% solids-not-fat (SNF), reflecting a rise in milk procurement price of about 6.17% compared to January 2025.

(b) (c) & (d) DAHD, GoI is implementing the following dairy development schemes across the country to supplement the efforts for milk production and milk processing infrastructure made by the State Government:

1. Rashtriya Gokul Mission (RGM)
2. National Programme for Dairy Development (NPDD)
3. Supporting Dairy Cooperatives & Farmer Producer Organisations engaged in dairy activities (SDCFPO)
4. Animal Husbandry Infrastructure Development Fund (AHIDF)
5. National Livestock Mission (NLM)
6. Livestock Health and Disease Control Programme (LHDCP)

These schemes are helping in improving milk productivity of bovines, expanding network of dairy cooperatives, strengthening of dairy infrastructure, working capital requirement, enhancing availability of feed and fodder and providing animal health services. These interventions help to reduce the cost of milk production, safeguard the sector from volatilities, and ensure a steady increase in farmers' income.

Dairy cooperatives play a crucial role in the dairy sector by procuring milk at remunerative prices from the Milk Producers and supplying quality milk and milk products to consumers at affordable rates. They contribute significantly to the socio-economic development of farmer families by providing a regular source of income and linking farmers to national and international value chains.
