

GOVERNMENT OF INDIA
MINISTRY OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING
LOK SABHA
STARRED QUESTION No. 109
TO BE ANSWERED ON 27th July 2021

LOSS TO DAIRY BUSINESS DUE TO PANDEMIC

109. SHRI MALOOK NAGAR:

Will the Minister of **Fisheries, Animal Husbandry and Dairying**

मत्स्यपालन, पशुपालन और डेयरी मंत्री

be pleased to state:

- (a) whether dairy business has almost come to a standstill due to Corona pandemic and lockdown due to which lakhs of litres of milk of dairy farmers got spoiled and it has brought all the farmers dependent on dairy business on the verge of starvation;
- (b) whether the Government has made any effective policy to conduct survey at the village level regarding the losses incurred by them and compensate them; and
- (c) if so, the details thereof?

THE MINISTER OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING

(SHRI PARSHOTTAM RUPALA)

(a) to (c) A statement is laid on the Table of the House

STATEMENT REFERRED TO IN REPLY OF LOK SABHA STARRED QUESTION NO. 109 PART (a) TO (c) ON “LOSS TO DAIRY BUSINESS DUE TO PANDEMIC” TO BE ANSWERED ON 27.07.2021

- (a) The average milk procurement from dairy farmers including procurement price paid by cooperative sector to dairy farmers has remained stable during the Covid pandemic. The average milk procurement per day during April 2019 was 473.4 Lakh litres per day (LLPD) which got increased to 480.56 LLPD in April 2020 and was 512.13 LLPD in April 2021. The average milk procurement price paid to dairy farmer by cooperative sector during April 2019 was Rs 34.38 per kg, during April 2020 was Rs 38.01 per kg and during April 2021 was Rs 39.23 per kg (for 6% fat content and 9% solid not fat content). State-wise statement of average milk procurement from dairy farmers and price paid to dairy farmers in cooperative sector during April 2019, April 2020 and April 2021 is at **Annexure**.
- (b) & (c) This Department is reviewing the milk situation in the country to monitor the milk procurement, sale, price and stocks of skimmed milk powder (SMP), butter and ghee etc on regular basis. During Covid pandemic in 2020 and 2021, this department collected information on milk procurement, price, sale and stocks on daily and weekly basis from cooperatives to analyse the dairy business situation in the country. Based on the information received and analysed assessment, following measures were taken:
- i) On 13.05.2020, a new component was introduced in ongoing central sector scheme “Supporting State Dairy Cooperatives and Farmer Producer Organizations” scheme (SDC&FPO) for providing 2% interest subvention on working capital loan to cooperatives and milk producers companies and additional 2% interest subvention for prompt payment. Under the scheme, Rs. 10588.64 Crore worth working capital loan from bank has been approved by NDDDB for interest subvention for 55 milk Unions/ milk producer companies and Rs. 150.57 Cr has been approved as interest subvention as on 30.06.2021.
 - ii) As a part of Atmanirbhar Bharat package, Department launched “Campaign for Kisan Credit Cards (KCC) for providing working capital loan to dairy farmers of Milk Cooperatives and Milk Producer Companies” from June 2020 to December 2020. 52.49 lakh applications of Dairy farmers got filled up by Milk Unions and so far more than 12.00 lakh fresh KCC has been sanctioned for dairy Farmers.

- iii) As a part of Atmanirbhar Bharat package, the procedures of Central Sector scheme “Dairy Processing and Infrastructure Development Fund (DIDF)” has been made simpler and effective. The major changes in the scheme made is as given below:
- a. Interest subvention fixed upto maximum level of 2.5%
 - b. Besides National Bank for Agriculture and Rural Development (NABARD); National Dairy Development Board (NDDB) and National Cooperative Development Corporation (NCDC) have been allowed to provide loan directly to the cooperatives and milk producer companies from their own resources.
 - c. New components for assistance like Cattle feed plants, milk transportation, marketing infrastructure, cold storage, Commodity & Cattle feed godowns, Information and Communication Technology (ICT) infrastructure, Research & Development (R&D) facility, Renewable energy & packaging material plant to support dairy plants etc has been added to create demand.
- iv) Since the fund under DIDF was available to only the Cooperatives and Milk Producer Companies (MPC); Government of India has introduced a new scheme namely Animal Husbandry Infrastructure Development Fund (AHIDF) with outlay of Rs 15000 Cr of which Rs 8000 Cr has been earmarked for assisting milk processing and product plants for Farmer Producer Organization (FPO), Private companies, Individual entrepreneurs, Section 8 companies, Micro Small and Medium Enterprises as eligible implementing agencies
- v) This Department had requested State Governments of Rajasthan, Gujarat, Punjab, Karnataka, Tamil Nadu, Maharashtra and also to Ministry of Women and Child Development and Ministry of Education to introduce milk/ milk powder through aanganwadis/ Mid-Day meal network. The states of Madhya Pradesh, Uttar Pradesh, Karnataka, Bihar and Punjab have been providing Skimmed Milk Powder (SMP)/ Whole Milk Powder (WMP)/ Ghee to ease out the situation.

Annexure

State-wise statement of milk procurement and average milk procurement price in cooperative sector for Milk (6% Fat and 9% Solids Not Fat) in Rs./kg

State	Av. Milk Procurement per day (Lakh Kg. Per Day)			Procurement Price of Milk (6% Fat and 9% SNF) in Rs./kg		
	April- 2019	April- 2020	April- 2021	April- 2019	April- 2020	April- 2021
Haryana	4.74	7.44	5.19	32.40	37.80	37.20
Punjab	19.9	25.5	22.88	35.97	40.94	41.81
Uttar Pradesh	2.98	4.61	2.99	32.50	38.00	43.00
Madhya Pradesh	9.08	9.81	9.67	33.00	36.00	37.80
Bihar	19.83	19.52	14.77	37.62	38.28	39.24
Odisha	5.15	2.99	4.88	32.40	38.11	38.11
West Bengal	2.84	2.11	2.17	32.58	32.58	32.58
Gujarat	197.5	202.4	228.6	36.40	40.00	40.03
Maharashtra	46.04	44.7	42.58	34.00	34.00	39.00
Rajasthan	27.34	27.99	29.9	33.18	44.34	39.72
Andhra Pradesh	17.41	17.33	19.94	33.00	33.00	39.00
Karnataka	70.22	69.37	77.32	31.67	36.06	36.31
Kerala	12.58	10.69	14.61	42.14	44.21	46.91
Tamil Nadu	31.5	31.35	32.05	35.00	41.00	41.00
Telangana	6.27	4.77	4.58	33.80	35.76	36.75
TOTAL	473.40	480.56	512.13	34.38	38.01	39.23