

GOVERNMENT OF INDIA
MINISTRY OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING
DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING
LOK SABHA
UNSTARRED QUESTION NO. 1399
TO BE ANSWERED ON 29th JULY 2025

RISE IN MILK PRICES

1399. ADV GOWAAL KAGADA PADAVI:

Will the Minister of FISHERIES, ANIMAL HUSBANDRY AND DAIRYING

मत्स्यपालन, पशुपालन और डेयरी मंत्री

be pleased to state:

- (a) whether the Government has reviewed the recent rise in milk prices in various States and if so, the details thereof;
- (b) the reasons cited by cooperatives and private dairies for price hikes;
- (c) whether the Government proposes any measures to stabilise milk prices for consumers;
- (d) the steps being taken by the Government to ensure remunerative prices for dairy farmers despite rising input costs;
- (e) whether the fodder subsidy schemes are being strengthened to control costs and if so, the details thereof; and
- (f) the plan of the Government to promote fodder cultivation and silage units to overcome shortages?

ANSWER

THE MINISTER FOR FISHERIES, ANIMAL HUSBANDRY AND DAIRYING

(PROF. S.P. SINGH BAGHEL)

(a) Department of Animal Husbandry & Dairying (DAHD), Government of India regularly monitors the milk situation in the country in consultation with State milk federations/stakeholders to review the milk situation the country. The last milk situation review meeting was held on 22.04.2025 and during this meeting the Milk situation was reviewed and was found stable due to the sufficient commodity stock with the stakeholders.

(b) 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.

(c) & (d) DAHD does not regulate procurement and sale prices of milk in the country. Prices are decided by the cooperative and private dairies based on their cost of production and market forces. However, DAHD is implementing the following schemes across the country to complement and supplement the efforts for milk production and milk processing infrastructure made by the State Government

1. **Rashtriya Gokul Mission (RGM):** RGM is implemented for development and conservation of indigenous breeds, genetic upgradation of bovine population and enhancement of milk production and productivity of bovines.
2. **National Programme for Dairy Development (NPDD):** NPDD is implemented with following 2 components:
 - (i) **Component "A"** of NPDD focuses on creating/strengthening of infrastructure for quality milk testing equipment as well as primary chilling facilities for State Cooperative Dairy Federations/ District Cooperative Milk Producers' Union/ Self Help Groups (SHGs)/ Milk Producer Companies/ Farmer Producer Organizations.
 - (ii) **Component "B"** of the NPDD scheme "Dairying through Cooperatives" aims to increase sale of milk and dairy products by increasing farmer's access to organized market, upgrading dairy processing facilities and marketing infrastructure and enhancing the capacity of producer owned institutions.

3. **Supporting Dairy Cooperatives & Farmer Producer Organisations engaged in dairy activities (SDCFPO):** To assist the State Dairy Cooperative Federations by providing interest subvention (regular 2% and additional 2% on prompt repayment) with respect to soft working capital loan to tide over the crisis on account severely adverse market conditions or natural calamities.
4. **Animal Husbandry Infrastructure Development Fund (AHIDF):** AHIDF provides interest subvention at the rate 3% per annum for creation/strengthening of livestock product processing and diversification infrastructure thereby providing greater access for unorganized producer members to organized market.
5. **National Livestock Mission (NLM):** to bring sharp focus on entrepreneurship development and breed improvement in poultry, sheep, goat, piggery and fodder by providing the incentivization to the individual, FPOs, SHGs, Section 8 companies for entrepreneurship development and also to the State Government for breed improvement infrastructure
6. **Livestock Health and Disease Control Programme (LHDCP):** to provide for prophylactic vaccination against animal diseases, capacity building of veterinary services, disease surveillance, and strengthening veterinary infrastructure. Also, a new component of Pashu Aushadhi is added under the scheme ensure availability of affordable generic veterinary medicine across the country through Pradhan Mantri Kisan Samriddhi Kendras (PM-KSK) and Cooperative Societies. This will create an ecosystem for Generic Medicine which will be affordable and of good quality.

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 and also help to enhance income of milk producer from dairy farming.

- (e) and (f) Under the National Livestock Mission – Entrepreneurship Development Programme (NLM-EDP), the DAHD is actively promoting entrepreneurial initiatives to strengthen fodder infrastructure and ensure year-round availability of quality feed. A capital subsidy of 50% (up to ₹50 lakh) is provided in two instalments for setting up hay, silage, Total Mixed Ration (TMR), fodder block, and seed grading units. So far, 129 projects have been approved, with a projected installed capacity of 4,64,500 MT per annum, involving a total project cost of ₹120.62 crore. An approved subsidy of ₹52.87 crore has been sanctioned, of which ₹15.77 crore has been disbursed to 62 beneficiaries. The scheme also encourages private sector participation, including farmers, rural youth, SHGs, FPOs, JLGs, and Section 8 companies, facilitating decentralized fodder production and modern preservation techniques like silage.

In addition to this, the Department has successfully established 100 Farmer Producer Organizations (FPOs) through National Dairy Development Board (NDDB) Under the "Formation and Promotion of Farmer Producer Organisations (FPOs)" scheme. These FPOs are actively engaged in fodder-related business activities, fostering improved resource access, farmer collectivization, and robust agri-livestock value chains.

These initiatives are helping to stabilize fodder prices, reduce supply chain dependency, and enhance livestock productivity across rural and semi-urban areas.
