

**GOVERNMENT OF INDIA  
MINISTRY OF COOPERATION**

**LOK SABHA  
UNSTARRED QUESTION NO. 1661  
TO BE ANSWERED ON 10<sup>th</sup> FEBRUARY, 2026**

**PROCESSING UNITS IN COOPERATIVE SECTOR**

**1661. SHRI GANESH SINGH:**

Will the Minister of COOPERATION (सहकारिता मंत्री) be pleased to state:

- (a) whether the Government proposes any specific scheme to promote cluster-based processing units in the cooperative sector for the bulk manufacturing of health supplements and low-cost protein products for dairy by products such as whey and probiotic cultures;
- (b) whether the Government is taking any initiatives to develop a direct export supply chain milk by supporting milk chilling centers, A2 branding, and quality certification through women-led village-level cooperative societies in view of the growing global demand for A2 milk and its products;
- (c) whether the Government proposes to develop this cooperative model as district-based dairy and value addition clusters;
- (d) whether Government is considering a plan to develop this cooperative model and district based dairy and value addition clusters;
- (e) whether any proposal is under consideration to select Satna and the Vindhya region of Madhya Pradesh as pilot districts; and
- (f) if so, the details thereof

**ANSWER**

**THE MINISTER OF COOPERATION  
सहकारिता मंत्री (SHRI AMIT SHAH)**

(a): Any specific scheme to promote cluster-based processing units in the cooperative sector for the bulk manufacturing of health supplements and low-cost protein products for dairy by-products such as whey and probiotic cultures, has not been contemplated yet. However, the government has made significant investments in value-added processing through the following:

- i) NPDD Component B: As of December 31, 2025, 42 projects have been sanctioned across nine states, creating 262 MTPD (Metric Tonnes Per Day) of value-added processing capacity.
- ii) Sardar Patel Cooperative Dairy Federation (SPCDF): This newly established multi-state society aims to invest in efficient processing facilities to support the rising demand for safe and hygienic dairy products.
- iii) NCDC Support: The National Cooperative Development Corporation (NCDC) provides financial assistance for the creation, modernization, and expansion of infrastructure for value-added dairy projects.

(b) The Government is strengthening the dairy export ecosystem through existing initiatives. The National Cooperative Export Limited (NCEL) functions as an umbrella organization to facilitate direct exports of surplus produce from the cooperative sector, enabling primary cooperatives to access global markets. Under White Revolution 2.0 and the Nandini Sahakar Scheme, women-led cooperative societies are supported through concessional finance, capacity building, and training to enhance their entrepreneurial capabilities. Further, infrastructure such as milk chilling centres and quality improvement measures are supported under the National Programme for Dairy Development (NPDD) and Special Package for Dairy Development (SPDD/SPCDF) to strengthen cold-chain and quality standards. However, no separate scheme has been notified specifically for A2 milk branding at present.

(c) & (d) The Government is moving toward a model of decentralized clusters by taking following initiatives:

- (i) The Ministry is transforming PACS into multi-service centers that offer storage, processing, and marketing services.
- (ii) National Cooperative Organics Limited (NCOL) promotes a cluster-based organic farming model to reduce input costs and improve market linkages for primary producers.
- (iii) The Sardar Patel Cooperative Dairy Federation is designed to integrate over 20,000 villages across 20 states into an organized cooperative structure that emphasizes cattle nutrition and modern dairy practices.

(e) & (f) This Ministry has not contemplated on any proposal to select Satna and the Vindhya region of Madhya Pradesh as pilot districts, yet.

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