

**GOVERNMENT OF INDIA  
AGRICULTURE  
LOK SABHA**

UNSTARRED QUESTION NO:3272  
ANSWERED ON:28.07.2009  
PRICES OF MILK POWDER  
Reddy Shri K. Jayasurya Prakash

**Will the Minister of AGRICULTURE be pleased to state:**

- (a) whether the prices of domestic milk powder is higher as compared to international prices;
- (b) if so, the comparative details thereof and the reasons therefor;
- (c) the steps being taken to ensure the availability of milk powder at affordable prices to the Below Poverty Line Families; and
- (d) the demand and supply of dairy products in the country including Andhra Pradesh, State-wise?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE, CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION  
(PROF. K.V. THOMAS)

(a)&(b) Yes, Madam. The comparative table indicating domestic & international prices (average) of skimmed milk powder (SMP) is as under:-

Rs./kg.

Month & Year Oceania Western Europe USA India

March	2008	160	138	116	134
October	2008	134	127	116	132
April	2009	97	106	90	115
May	2009	94	108	91	120
June	2009	95	110	87	120
July	2009	97	114	97	140

International prices of milk powder in Oceania, Western Europe & USA depends upon cost of production of milk prevailing there and export subsidy provided by the respective Government. In India, price of milk powder generally tends to increase during summer season as the production & procurement of milk goes down due to heat stress of milch animals. Low production & procurement affects the cost of production and also the sale price of milk powder.

(c) Increasing price of milk powder is only a seasonal development. In case of any acute shortage import of milk powder at 5% import duty upto a total quantity of 10,000 MT under Tariff Rate Quota (TRQ) is permitted to ensure availability of milk powder. National Dairy Development Board has been advised to work out a contingency plan to import SMP under TRQ if the situation so warrants in the coming weeks,

(d) Milk Production at National level is by and large sufficient to meet the domestic consumption of milk & milk products. A statement of state-wise milk production & availability including Andhra Pradesh in enclosed.