

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3629
ANSWERED ON:19.03.2013
PRICE OF SKIMMED MILK POWDER
Jindal Shri Naveen

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has taken note of the fact that the market price of Skimmed Milk Powder (SMP) has decreased significantly and is prevailing below the production cost resulting in its distress sale by most of the milk marketing federations in various States due to ban on the export of milk products;

(b) if so, the details thereof and whether the Government has extended/is extending any assistance to these milk marketing federations for recovering the cost of SMP; and

(c) if so, the details thereof?

Answer

THE MINISTER OF STATE FOR AGRICULTURE & FOOD PROCESSING INDUSTRIES (DR.CHARAN DAS MAHANT)

(a) There is no ban on export of milk products. During November 2012, some of the Milk Federations had reported surplus stocks and lower sale price of Skimmed Milk Powder (SMP) than its cost of production. The Wholesale Price Index of powder milk has increased from 180.1 during June 2012 to 180.7 during February 2013 (Source: Ministry of Commerce and Industry). The international prices of all milk powders including SMP, have also gone up since December, 2012.

(b)&(c) To assist the State Milk Federations with excess stocks of SMP this Department vide letter dated 20.12.2012 has approved a new component under National Mission for Protein Supplements for the year 2012-13 for reprocessing of SMP (upto Rs 20 per Kg) to extend the shelf life of stocks nearing expiry date. The Government is also providing 5% export incentive under Vishesh Krishi Gram Udyog Yojna for export of SMP.

As per Directorate General of Foreign Trade the export of SMP during 2012-13 (upto December 2012) was 34,532.02 Metric Tonnes which is highest in a year since 2009-10.