

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:4405
ANSWERED ON:21.04.2015
PRICES OF MILK POWDER
Chudasama Shri Rajeshbhai Naranbhai

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether it is a fact that dairy industry in the country is saddled with huge stocks of skimmed milk powder and a weak export demand;
- (b) if so, the reasons for the consumer prices remaining firm and showing no signs of declining; and
- (c) the action being taken by the Government to reduce the prices of skimmed milk powder in the country?

Answer

THE MINISTER OF STATE FOR AGRICULTURE (SHRI MOHANBHAI KUNDARIYA)

(a) As per information available with the Department of Animal Husbandry, Dairying & Fisheries, there is a stock of about 94,000 MT of skimmed milk powder, as on March 2015, with the cooperative sector, which is about 0.8 percent of the country's milk production. Agriculture & Processed Food Product Export Development Authority (APEDA) has informed that the international demand of Indian skimmed milk is reducing due to uncompetitive prices as compared to that of competitors like European Union and New Zealand.

(b) The consumer prices are determined by the Cooperative and Private Dairy sector, on the basis of market conditions including the procurement cost, which in turn depends upon cost of inputs like feed, fodder, labour, electricity and transportation etc. During 2014-15, consumer as well as producer prices are firm due to firm input costs.

(c) The Department of Animal Husbandry, Dairying and Fisheries, Government of India does not regulate price of milk and milk products including skimmed milk powder.