

First Dairy Farmer President of IDA



With the sad demise of Dr. N.R. Bhasin on 15th December 2016, the responsibility of President, IDA was handed over to me. The late Dr. Bhasin was an erudite person with in-depth knowledge of the dairy industry. In contrast, though I come from a humble agricultural background, my long experience of almost 40 years in the dairy sector makes me all the more conscious of the responsibility entrusted to me. My close working association with Kolhapur Milk Union as its Chairman and Indian Dairy Association (IDA) as Vice President have soundly educated me with a deep understanding about the Indian Dairy industry. This will stand me in good stead in the future.

Unfortunately, both the agricultural and the dairy sector have never been a priority for governments in India. Our milk producers are a varied lot. Generally belonging to poor and marginalised backgrounds, they possess little or no land holding with dairying being their sole means of sustenance. Dairying and agriculture go hand in hand, and my experience has shown that the percentage of such landless and marginal farmers has always remained constant — around 70% — in spite of so many schemes introduced and implemented by different governments in power.

Normally in any Indian village, one finds barely 2-3 well-off milk producers with more than 20 milch animals. The dairy farmers generally have buffaloes and cows, whereas the well-settled farmers have cross bred or upgraded buffaloes and cows. Even today most milk producers contribute only 1 to 2 litres of milk to the dairy business. This scenario has continued despite the growth of Cooperatives like Amul, the Operation Flood programme and the liberalization policies post 1991. The organizational changes at village level have not undergone any major transformation.

Programme	Period	Investment outlay
OF - phase I	1970 -1980	` 116.4 crores
OF – Phase II	1981-1985	` 273 crores
OF – Phase III	1985-1996	` 1303 crores
National Dairy Plan - I	2012 -2018	` 2242 crores
Twelfth Plan Outlay*	2012-2017	` 4976 crores

*Dairy India Edition Seven Source: NDDDB report

CHALLENGES

Despite being the leading milk producer nation, the India dairy sector is plagued by several hurdles. **Fodder scarcity** is one of them. Standing at 40% even today, the availability of good quality upgraded fodder seeds, and conservation of fodder either as silage or hay remains a major concern. The details of fodder scarcity at the national level are as follows:

Year	Deficit in Percentage	
	Dry Fodder	Green Fodder
2010	10.95	35.66
2020*	11.85	30.65
2030*	11.98	24.59
2040*	11.86	20.22
2050*	13.20	18.43
* Projected		Source: IGFRI, Vision 2050

The dairy sector continues to be totally dependent on agriculture. The moment efforts are made to mechanize dairy farming activities at village level, it is seen that the cost of milk production rises and the project becomes unsustainable. Moreover, milk producers continue to remain unorganized in most villages and in the few places where they are organized, there is lack of facilities like quality testing, weighing and timely payments.

Another menace besetting the dairy industry is **Adulteration**. Despite efforts to eradicate this through stringent laws, it remains a persistent and recurrent problem as both the implementation and implementers of law fall short. The problem exists not only at the village level but is rampant in the slums of metros as well. The best quality brands are copied effortlessly; adulterated milk is re-filled under cover of night and supplied to nearby colonies. The details of sampling and testing during the year 2014-15 are given in Table 1.

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Table 1:

Total No. of samples received	No. of samples analysed	No. of samples found adulterated and misbranded	No. of cases launched		No. of convictions/ penalties	
			Criminal	Civil	Conviction	Penalties/ Amount
78469	70688	13679	2611	7658	1280	2836 / ` 10,99,23,414/-

Source: Annual Report 2014-15 – FSSAI page 45

The question of **Minimum Support Price** for milk has been an issue for discussion many a times at different forums. However, despite successive Governments, the dairy farmer has remained without any relief. In fact, after 1991, licenses have been issued to a large number of private manufacturers, resulting in a peculiar situation in the market. Even in the flush season, when the international pricing index is favourable, the private companies convert the liquid milk into powder and butter and stock these commodities for future profit. On the contrary, in the case of a drought and when the prices fall in the international market, the said companies do not accept milk, as it is not profitable to them. Both the organized and unorganized farmers, who are members of a weak cooperative, are left out in the cold. The farmers bear losses, while the balance sheets of the companies show rising profits, and milk producers continue with negative growth.



making timely disbursement of payment to milk producers almost impossible. The co-operative banks have their network of branches throughout the country — this is unparalleled anywhere else — but due to present restrictions farmers are unable to withdraw their own money for their daily needs and sustenance. What is remarkable in the face of such hardships is the positive attitude of the milk producers.

They have shown a rare resilience and patience in their whole hearted support for the ‘Demonetization Scheme’.

In conclusion, I wish to emphasize on the need for developing a far reaching and well-thought out strategy which

would lead to lasting efforts to improve the lives of milk producers giving them their right to equality, progress and a brighter future.

On behalf of IDA, I thank you for your continued support and faith in the Association and look forward to the same in future.

Arun Narke
(President-IDA)