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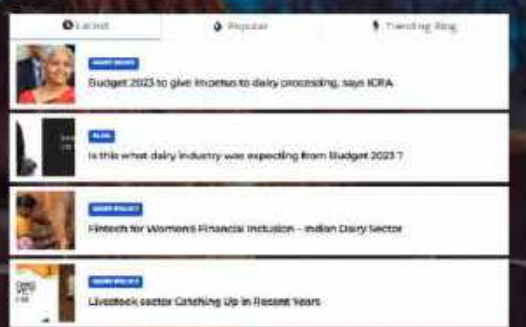
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Sometimes we
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Is this what dairy industry was expecting from Budget 2023 ?



FORTNIGHTLY NEWSLETTER

Dairy Pulse 174th Edition (16th to 31st, January 2023)



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Today information is like milk; Use it else it will spoil

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Dairy Pulse 174th Edition (16th to 31st January, 2023)

Content

Blog.....	8
Is this what dairy industry was expecting from Budget 2023 ?	8
Indian News.....	11
Ahead of GIS-2023, U.P. dairy sector exceeds investment target	11
Govt must consider importing wheat and milk fat to check inflation.....	12
Suzuki to use cow dung for its CNG cars, signs MoU with NDDB.....	13
Heritage Foods: What lies ahead after a soft quarter?	15
Anand Kumar takes charge as chairman of Visakha Dairy.....	17
Animal Equality Investigating and Exposing Abuse to Buffaloes	17
In Gujarat’s dairy world, BJP gets the cream of the crop	18
FSSAI asks to check on products being sold as plant-based ghee.....	19
Amul elections: Shamal Patel to continue as GCMMF chairman.....	20
How Hatsun Agro is growing byte-by-byte	21
Online Open Course on dairy farming by NDRI Karnal for all	22
Transporters’ strike on, Bengalureans’ milk supply hit	23
Goa Dairy hikes rates of milk & milk products	24
The good cooperative.....	24
Reports Related To Milk Adulteration False: Government.....	26
Hatsun Agro sees dip in Q3 profit as input costs rise	27
Amul, NAFED among promoters of New national export cooperative	27
Milk output in Karnataka drops by a million litres a day since July 2022	28
After Nano Urea, Nishikant aims reviving dairy co-ops in Jharkhand	29
LOTTE Confectionary to invest INR 450 crores in Havmor Ice Cream	30
Jayshri Gayatri Food Products sets up a new dairy plant in UP	31
Four private dairies increase milk price by Rs 2-Rs 4 a litre.....	32
Dairy farmers demand hike in milk procurement price in UDUPI district	33
Dairy farmers becoming self-reliant through ODOP in J&K UT.....	34
Vijaya Mega Dairy to be inaugurated by August 2023, says Talasani	35
Need to explore ways to reduce climate impact on milk production: Rupala.....	35

India among few nations evolving food systems for farmer-allied SMEs.....	36
Plant-based market in India to be worth Rs 81,000 crore	37
TN: Dairy Farmers in Dire Straits as Fodder Prices Zoom, Inflation Bites	39
Global News	42
Unilever Taps Dairy Boss as New CEO	42
FrieslandCampina shares key industry trends for 2023	43
GoodSport, a Dairy-Based Sports Drink, Set to Hit Walmart Store	44
Journal of Dairy Science: Milk’s Packaging Influences Its Flavor.....	46
DSM World Mycotoxin Survey 2023.....	47
Why plant based alternatives are shaking up the dairy sector.....	49
End of Covid zero policy in China may lift the dairy prices in future.....	51
A farmers’ dilemma has the govt worried in Uganda.....	52
‘Dairy-Based’ Alternative Meats Could Become a Reality	53
Saudi dairy Almarai’s net profit increases to \$453m in 22	54
Complexity of Measuring and reducing emissions in dairy industry.....	55
Changing the narrative about the power of dairy protein	57
Dairy prices edge up, volumes ease at auction – GDT events	59
Danone Vows to Cut Methane Emissions From Milk by 30%	60

Blog

Is this what dairy industry was expecting from Budget 2023 ?

FEB 1, 2023

<https://dairynews7x7.com/is-this-what-dairy-industry-was-expecting-from-budget-2023/>



Everyone was eagerly waiting for the budget 2023-24 and finally it came. The last budget speech was of 38 pages and had no mention of terms like dairy or animal husbandry. This time our expectations were high as the budget speech was of 58 pages and had the word dairy mentioned 3 times and animal husbandry 2 times. Though it was not directly meant for the core dairy sector.

The budget allocation for animal Husbandry & Dairying increased from around Rs 3000 Crs last year to Rs 4327 Crores for FY 24. The country saw the impact of Lumpy Skin Disease epidemic in the last year. I think government has allocated slightly more than half of this budget to livestock health and disease control Program. In last fiscal the budget allocation for animal health was Rs 1390 crores only.

Seven Priorities

The Finance minister started by sharing her seven priorities in this budget as Inclusive development, Reaching last mile, Infrastructure and investment, unleashing potential, Green growth, Youth Power, and Financial Sector .



This year the government has merged all kinds of development fund in this sector and brought them under Infrastructure development fund. The Animal Husbandry Infrastructure Development Fund (AHIDF) and The Dairy Infrastructure Development Fund (DIDF) have been merged into one single fund. The total allocation for this Infrastructure development fund is Rs 340 Crores only.

The scheme for supporting to Dairy Cooperatives and Farmers Producers Organisation is also subsumed into it. The scheme is an interest subvention scheme to be implemented through NABARD with the objective to focus on processing and chilling infrastructure and milk adulteration testing equipment at village level. The budget provision is also for supporting working capital requirement of State Cooperative Dairy Federation (erstwhile Support to State Co-operative Dairy Federations).

The allocation for National Programme for Bovine Breeding,

A budget allocation to support Unions and state dairy federation has been raised to Rs 323 Crore from Rs 220 Crores last year. The budget for

Rashtriya Gokul Mission has been kept at the same level as that of last year at Rs 600 Crores. Indigenous Breeds and new scheme of National Mission on Bovine Productivity have been clubbed together under Rashtriya Gokul Mission. The scheme aims to conserve and develop Indigenous Breeds in a scientific and holistic manner to increase bovine productivity. National Livestock Mission budget has been increased from Rs 350 Crores to Rs 410 Crores in this year.

GOBARdhan Scheme

The minister said 500 new 'waste to wealth' plants under GOBARdhan (Galvanizing Organic Bio-Agro Resources Dhan) scheme will be established for promoting circular economy. These will include 200 compressed biogas (CBG) plants, including 75 plants in urban areas, and 300 community or cluster-based plants at total investment of Rs 10,000 crore. Presenting the Union Budget for 2023-24, she also said the government will facilitate 1 crore farmers to adopt natural farming. This would mean better use of manure and thus reduction in GHG emission from dairy sector.

Inclusive Development

The government initiated various schemes for inclusive development. I liked the idea of digital Public infrastructure for Agriculture. The minister said, this will enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for growth of agri-tech industry and start-ups.

However no one is interested in assessing the level of digital inclusion of the rural India. Digital payment directly to the farmers account does not ensure digital inclusion of the farmers. In case of women farmers it is not even the financial inclusion as money is going in the joint account of husband and wife.



Lastly , a few crores here or there were allocated to the animal welfare Board (which is not inclusive of dairy industry) and veterinary council of India. Some small allocations were also done for skilling in this sector.

The government's idea for setting up agriculture accelerator fund for encouraging innovative start-ups in rural areas is commendable. Target funding of Rs 20 lakh crore agriculture credit targeted at animal husbandry, dairy & Fisheries sector was the only part which will get better understood after a month or two.

The Fisheries sector with around 7 % contribution to Agri GVA got Rs 6000 Crores in this budget as against Rs 4237 Crores to the dairy sector which contributes 30%.

Today's smile is a pain in disguise

At the end, the industry was expecting too much in infrastructure development in dairy cold chain , processing and quality infrastructure for clean milk production.

The budget doesn't seem to be doing justice to the industry expectations as the budget allocation for dairy stakeholders is not even 0.4% of the size of this sector. In the next budget I would like to see at least a mention of woman dairy farmer in the speech of the Finance minister.

I, salute my brave dairy farmer , Laxmi, who will still be starting her day tomorrow at 4 AM in order to make agriculture sector in this country more meaningful and sustainable.

Indian News

Ahead of GIS-2023, U.P. dairy sector exceeds investment target

JAN 30, 2023

<https://dairynews7x7.com/ahead-of-gis-2023-u-p-dairy-sector-exceeds-investment-target/>



Uttar Pradesh, which already stands on top in milk production in the country, has exceeded the investment target in the dairy sector by 200% ahead of the proposed Global Investors' Summit (GIS) even as a Dutch company has expressed its interest to set up a dairy plant in the state, a government official said here on Sunday.

"Even before the UP GIS, the department has so far signed around 750 MoUs worth more than ₹25,000 crore, while the department has received 900 investment intents worth about ₹27,000 crore," milk development commissioner Shashi Bhushan Lal Sushil said. He further said the department itself had set a target of attracting investment proposals worth ₹1000 crore while the government had earlier given a target of ₹12,500 crore which was later increased to ₹18,750 crore. "Investment proposals of 200 percent more than the target have been received," he claimed. In business to government (B2G) meetings and road shows with chief minister Yogi Adityanath's team, around fifty entrepreneurs have finalised investment proposals of ₹100

crore. At the same time, more than 10 industrialists have agreed to set up plants at a cost of ₹4 crore.

More than 400 entrepreneurs have signed MoUs for milk production while one firm has signed an investment proposal of ₹1,000 crore. On the other hand, about one-and-a-half-dozen industrial houses have signed MoUs worth ₹500 crore for milk processing and milk product manufacturing. "Not only this, ₹3500 crore for the installation of cold chain and MoUs worth about ₹800 crore have been signed for milk product manufacturing units," he added. According to Sushil, Sanjeev Kumar Singh of Dynamic Energy Solution has given ₹500 crore to set up a milk processing plant, ASJS Gujral Pvt. Ltd.'s agent Ajkot Singh has provided ₹450 crore, Anuj Tomar of Mahalakshmi Electrical has provided ₹300 crore and Mahan Milk Foods Ltd's K Sanjeev Goyal has signed an MoU worth ₹250 crore.

Shrikant Yadav of Krishna Chilled Milk Centre has signed an investment proposal of ₹100 crore and Vishnu Dayal of Baba Neem Karoli Chilling Plant has signed an investment proposal of ₹50 crore to set up new technology in cold chain and field outside the dairy.

Apart from this, Chandra Bhushan Yadav of New Maya Dugdh Dairy and Flour Mill has agreed to invest ₹165 crore and Kartikeya Dixit of Mahakaleshwar Enterprises has agreed to invest ₹100 crore to set up a cattle feed plant.

Govt must consider importing wheat and milk fat to check inflation

JAN 30, 2023

<https://dairynews7x7.com/govt-must-consider-importing-wheat-and-milk-fat-to-check-inflation/>



Wheat and atta prices are on fire, retailing at an average of Rs 30 and Rs 35 per kg respectively, as against Rs 20 and Rs 25 a year ago. As a mitigatory measure, the Narendra Modi government has approved offloading three million tonnes (mt) of the cereal from the Food Corporation of India's (FCI) warehouses into the open market over the next two months. The expectation is that this will help cool prices ahead of the arrival of new crops from end-March. But there are two possible hindrances. The first is that public wheat stocks, at 17.17 mt on January 1, are already at a six-year-low and marginally above the required minimum of 13.8 mt for this date. While the discontinuation of the additional 5-kg per person per-month free grain supply through the public distribution system has given more leeway for the FCI to undertake open market sales, the overall stocks position is still quite precarious.

The second source of uncertainty relates to the size of the 2022-23 wheat crop. Right now, it looks in good condition, with farmers also sowing a near-record 34 million-plus hectares on the back of high prices, adequate soil moisture and reservoir water levels, and improved fertiliser availability. But the crop has barely entered the flowering stage, leave alone grain formation

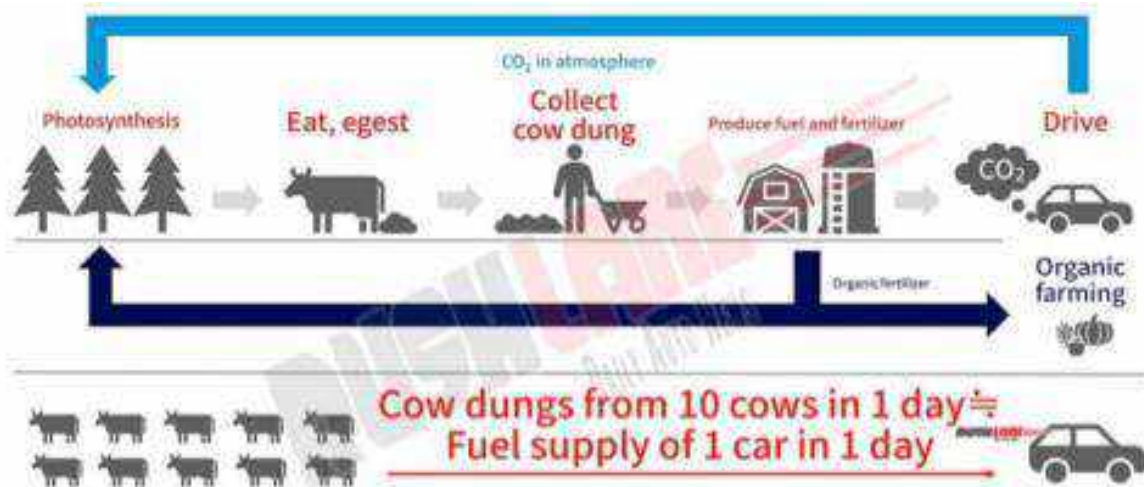
and filling that typically takes place over March and early-April. Knowing from last year's experience — when a sudden temperature spike after mid-March took a heavy toll on the standing wheat, whose kernels were just about ripening and accumulating starch — it would be foolhardy to make any predictions of output at this point. A second consecutive poor wheat harvest can have adverse consequences, more so given that consumer price inflation has only in the last two months fallen below the RBI's 6 per cent upper limit target.

That being so, the Modi government should consider import of 2-3 mt wheat as insurance against a not-too-good crop back home. Wheat from Russia — the world's cheapest supplier — is currently quoting at \$305-310 per tonne free-on-board, which works out to a landed price of around \$350 per tonne or Rs 28.5/kg in India. Similar imports on government account may also be required of milk fat, especially with domestic ghee and butter prices going through the roof. Demand for milk products, from curd and lassi to ice-cream, will peak during the summer months. That's when milk production, particularly by buffaloes, too will fall. Excess volatility in food price is neither in consumer nor producer interest — and a veritable nightmare for an inflation-targeting central bank. The government cannot afford to be lax on supply management, at a time when cereals and dairy products are among the highest contributors to consumer inflation today.

Suzuki to use cow dung for its CNG cars, signs MoU with NDDB

JAN 29, 2023

<https://dairynews7x7.com/suzuki-to-use-cow-dung-for-its-cng-cars-signs-mou-with-national-dairy-development-board/>



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India's largest car manufacturer company Suzuki Motor Corporation (SMC) has announced that it will use cow dung to power its CNG cars. An MoU has been signed between Maruti Suzuki and Asia's largest dairy manufacturer National Dairy Development Board (NDDB), SMC stated while announcing its growth strategy for 2030.

The company in its growth strategy for 2030 said it has invested in Fujisan Asagiri Biomass that generates power from biogas derived from cow dung in Japan, and beginning its study.

"While we expect the Indian market to grow toward FY2030, we also expect that the increase in total CO₂ (carbon dioxide) emission amount is unavoidable, regardless of reduction in CO₂ emission from products. We will challenge to strike a balance between the increasing sales units and reducing total CO₂ emission amount," SMC said.

Suzuki's unique initiative to tackle this challenge is the biogas business, in which biogas derived from cow dung, which are dairy wastes that can be seen mainly in India's rural area, will be produced and supplied.

The company said this biogas could be used for Suzuki's CNG models which account for approximately 70 per cent of CNG car market in India. "Suzuki signed an MoU with the Indian government agency National Dairy Development Board and Banas Dairy, Asia's largest dairy manufacturer, to conduct verification of biogas. We also invested in Fujisan Asagiri Biomass which makes power generation from biogas derived from cow dungs in Japan, and are beginning its study," said SMC.

The company said that it believes that the biogas business in India not only contributes to carbon neutrality, but also promotes economic growth and contributes to the society of India. "We are also in view of expanding the business to other farming areas in regions including Africa, ASEAN, and Japan in the future," it added. Suzuki, the market leader of India's automobile market which contributes to carbon neutrality and the economic growth of emerging countries, is consistent with the intent of the Paris Agreement, which requires harmony between developed countries and emerging countries for the reduction of CO₂ emission. The company

said it believes that it could contribute to its stakeholders throughout the world.

Suzuki headquarters, Yokohama Lab, Suzuki R and D Center India and Maruti Suzuki will cooperate for efficient development by sharing the development in each field for future technologies, advanced technologies, and mass production technologies.

Also, the Suzuki Innovation Center is exploring new connections and innovations for Suzuki to thoroughly take root in India.

The company said, "We will enhance our manufacturing strength by also cooperating with outside partners including startup companies, Suzuki Suppliers Association, and cooperation with universities in Japan and India. We will deepen our cooperation relationship with Toyota Motor Corporation while continuing to be a competitor, and aim for sustainable growth and conquer various issues surrounding the automobile industry." Suzuki also said, "Through the cooperation, we will cooperate in development of advanced technologies including autonomous and battery of electrified cars, business expansion in promising emerging countries, efforts for carbon neutrality in India, as well as the formation of a recycling-based society that considers the environment." The Suzuki Global Ventures, a corporate venture capital fund established in 2022, was accelerating the co-creation activities with start-up companies by exceeding

the framework of each company and their conventional businesses, according to the statement from the company. "We will make investments in areas that serve to solve customer and social issues, and contribute to development of ecosystem that grows with start-up companies." The company also said it will invest two trillion Yen in research and development expenses and 2.5 trillion Yen in capital expenditures, which is a total of 4.5 trillion Yen by FY2030 (2029-30). "Of the 4.5 trillion Yen, 2 trillion Yen will be electrification-related investments, of which 500 billion Yen will be battery-related investments," it added.

Two trillion Yen, the company said, is planned to be invested for R and D expenses in areas including carbon neutrality such as electrification and biogas, as well as autonomous. It added, "2.5 trillion Yen is planned to be invested for capital expenditures in facilities including construction of BEV battery plant and renewable energy facilities." Consolidated net sales forecast for FY2022 is 4.5 trillion Yen, which is growing at a pace to exceed the 4.8-trillion Yen target for FY2025 set in the mid-term management plan, the company said, adding that "We would like to grow in line with the emerging countries by contributing to their growth. We will challenge to double the FY2021 net sales result of 3.5 trillion Yen to 7 trillion Yen in FY2030."

Heritage Foods: What lies ahead after a soft quarter?

JAN 28, 2023

<https://dairynews7x7.com/heritage-foods-what-lies-ahead-after-a-soft-quarter/>



Higher raw milk prices impacted the performance. Value-added products saw higher growth

The March '23 quarter performance also likely to be impacted

Investors with a longer-term view can add and accumulate on declines

The December '22 quarter results of Heritage Foods (HFL; CMP: Rs171) were below expectations. Companies in the dairy segment continued to remain impacted by higher raw milk prices. Value-added products contributed around 29 percent to the revenues for the 9-month period ended December '22 against 40 percent targeted for the next 3-4 years.

December '22 quarter results

Milk procurement and sales both saw double-digit growths year on year. Milk procurement price increased 14 percent year on year, while the hike in selling prices was around 17.5 percent. The decline in gross and EBITDA margins was mainly due to the increase in raw material costs and the inability to pass on the full impact of the price hikes to consumers. The flush season was adversely affected by the lumpy skin disease and the prolonged monsoon season in south India, which put pressure on the milk procurement prices. Higher spend on advertisement and publicity also impacted profitability.

CONSOLIDATED PERFORMANCE

	Dec-22	Sep-22	Dec-21	QoQ	YoY
Revenue	786.0	816.2	667.0	-4%	18%
cost of sold	628.2	657.4	522.5	-4%	20%
Gross profit	157.8	158.8	144.5	-1%	9%
Gross margins	20.1%	19.5%	21.7%	60 bps	-160 bps
Employee cost	56.1	52.8	48.4	6%	16%
Other expenses	69.0	66.1	55.4	4%	25%
Total	753.3	776.3	626.3	-3%	20%
EBIDTA	32.7	39.9	40.8	-18%	-20%
EBIDTA margins	4.2%	4.9%	6.1%	-70 bps	-200 bps
other income	3.2	2.9	3.07	9%	3%
Interest	0.5	0.3	0.6	40%	-23%
Depreciation	14.3	13.8	12.9	3%	10%
PBT	21.1	28.6	30.3	-26%	-30%
Tax	5.3	7.3	7.9	-27%	-33%
Effective tax rate	25%	25%	26%	-40 bps	-110 bps
Profit/loss from JV	-2.0	-2.3	-1.58	-11%	27%
Net profit	13.8	19.0	20.8	-27%	-34%
Diluted EPS (in Rs)	1.49	2.05	2.24	-27%	-34%

(Rs in crore), Source: Co results, Moneycontrol research



Capex for the nine months ended December '22 was Rs 55.5 crore. HFL has guided to a capex of Rs 100-120 crore per annum going forward. Products launched during the quarter: HFL introduced several new products — Mawa Kulfi ice-cream in bars, Matka kulfi ice cream in Matka, chocolate Doodhpeda, Gluco shakti, instant whey energy drink, and creamilicious curd. The introduction of new products in the value-added segment will lead to higher revenue and earnings growth.

Outlook and Valuations

STANDALONE QTRLY					
	Dec-22	Sep-22	Dec-21	QoQ	YoY
Milk procurement (in mlpd)	1.43	1.46	1.19	-2%	20%
Milk sales (in mlpd)	1.07	1.12	1.04	-5%	3%
Value added products (in Rs crore)	198.5	218.6	164.7	-9%	21%
Curd sales (in MTPD)	294.0	326.4	271.0	-10%	8%
Revenue	776.9	808.9	657.1	-4.0%	18%
cost of sold	625.0	655.8	518.1	-4.7%	21%
Gross profit	151.9	153.2	139.0	-0.8%	9%
Gross margins	19.55%	18.94%	21.15%	60 bps	-160 bps
Employee cost	54.1	50.9	46.3	6.3%	17%
Other expenses	65.9	63.4	52.4	4.0%	26%
Total	745.0	770.0	616.9	-3.2%	21%
EBITDA	31.9	39.0	40.3	-18.2%	-21%
EBITDA margins	4%	5%	6%	-70 bps	-200 bps
other income	2.8	2.8	2.7	1.2%	3%
Interest	0.3	0.2	0.4	86.0%	-29%
Depreciation	13.7	13.3	12.4	3.1%	11%
PBT	20.7	28	30.2	-26.8%	-32%
Tax	5.2	7.2	7.9	-28.3%	-34%
Effective tax rate	24.9%	25.4%	26.0%	-50 bps	-105 bps
Net profit	15.5	21.1	22.4	-26.3%	-31%
Diluted EPS (in Rs)	1.67	2.27	2.41	-26.3%	-31%
Share of VAP to revenues	26%	27%	25%	-150 bps	50 bps

Source: Co results, Moneycontrol research
Rs in crore, MTPD is million litres per day



In FY23, HFL is likely to report one of the lowest EBITDA margins in the last 8 years, given higher inflation in raw milk prices and the inability to pass on the full impact to consumers. However, HFL has consistently delivered revenue growth in double digits for the last 5 quarters and the share of value-added products has increased. HFL is in a very sweet spot given the consumer reach, brand loyalty, and sound financials. With

higher revenue growth and an increase in contribution from value added products, we expect margins to recover on the back of an operating leverage while value added products have margins of nearly 1.5-2x compared to milk.

The EBITDA margins for the March '23 quarter is also likely to remain lower as inflation in raw milk prices is yet to abate and the flush season has been weak. We expect the margins in FY24 to recover as raw material prices subside and the increase in value-added products kick in. HFL has appointed Srideep Kesavan as CEO in June 2021, who has rich experience of more than 2 decades, having worked with Coca-Cola and others.

We have lowered our net profit expectations for FY23 and FY24 by around 29 percent and 8 percent respectively. We remain positive on Heritage for the long term and recommend investors to add at current levels and accumulate on decline. Historically, HFL in the last 10 years has traded in the P/E basket of around 18-20x, while it is trading at half that valuation now. HFL is trading at much cheaper valuation compared to peers.

VALUATIONS					
	FY20	FY21	FY22	FY23E	FY24E
Revenues	2,725.9	2,473.1	2,681.3	3,187	3,761
EBITDA	128	267	191	134	207
EBITDA margins	4.7%	10.8%	7.1%	4.2%	5.5%
Adjusted Profit after tax	-169	149	106	61	150
EPS	-35	16	11	7	16
P/E	NA	11	15	26	11

Source: Co results, moneycontrol research
Rs in crore. NA is not applicable.
Note: We have taken dilute equity post the right issue for calculating EPS



Risk to our assumptions is inability to increase milk prices, milk procurement issue on the back of higher competition, and political connections (HFL is promoted by ex-chief minister of Andhra Pradesh N. Chandrababu Naidu and his wife is Vice-chairperson and managing director at HFL).

Anand Kumar takes charge as chairman of Visakha Dairy

JAN 27, 2023

<https://dairynews7x7.com/anand-kumar-takes-charge-as-chairman-of-visakha-dairy/>



Adari Anand Kumar was appointed as chairman of Visakha Dairy here on Thursday. The decision was made in the dairy's board of directors meeting. Senior director Reddy Ramakrishna proposed the name of Adari Anand Kumar as the next chairman of the dairy, while the board and other directors unanimously approved his name. It may be recalled that former Chairman of Visakha Dairy Adari Tulasi Rao passed away on January 4. Serving as the Chairman for 36 years, he worked hard for the development of the

dairy and for the betterment of two lakh dairy farmers across Andhra Pradesh.

The firm currently has a daily milk collection and sale of 8.5 lakh litres and a turnover of Rs 1,500 crore. During the meeting, board of directors and members paid tributes to Tulasi Rao by recalling his valuable contribution to the society and the dairy sector. Managing Director of the organisation S V Ramana congratulated the newly appointed chairman Anand Kumar. Speaking on the occasion, Anand Kumar said he will work hard to take the dairy to the next level. Further, he said top priority would be given to the health and welfare of the dairy farmers, besides providing quality milk and milk products to the consumers, he added. Directors, officers of Visakha Dairy participated in the programme.

Animal Equality Investigating and Exposing Abuse to Buffaloes

JAN 26, 2023

<https://dairynews7x7.com/animal-equality-investigating-and-exposing-abuse-to-buffaloes/>



From 2021 to 2022 Animal Equality has conducted an extensive investigation into 27 small and medium farms, 6 animal markets and 2 slaughterhouses in the states of Bihar, Maharashtra, Gujarat, Telangana and West Bengal.

In 2017 Animal Equality introduced its first nationwide investigation into dairy farms documenting illegal practices routinely conducted for the production of dairy.

Findings of the investigation:

Farm workers artificially inseminate female buffaloes year after year. Once pregnant, the mother's milk is taken from her. Once the calf is born, within minutes he will be separated from the mother tied by the neck and prevented from feeding from her mother

Male calves are either sold for slaughter or starved to death as they do not produce any milk. While female calves replace the older ailing females who are no longer fertile.

It's common for dairy owners to stuff the body or even just the head of a dead calf with hay,

trying to trick the mother into thinking she is feeding her baby.

Workers inject them with oxytocin to stimulate their production of milk

Animal markets meant for sale of agricultural bulls and other animals often facilitate the sale of unproductive animals and male calves for slaughter.

Handlers at the market cram several animals into transport trucks. They shove sticks or fingers in animals' genitals and twist and break their tails to get them onto the truck.

These findings are standard practices in all kinds of dairies in villages and cities.

What we are doing:

Most of the practices documented are a blatant violation of the Prevention of Cruelty to Animals Act, 1960, the Transport Rules, 1978, the Slaughterhouse Rules 2001 and various orders from High Courts and Supreme Court of India. Animal Equality has presented a list of recommendations to the Indian Government to protect these animals.

In Gujarat's dairy world, BJP gets the cream of the crop

JAN 26, 2023

<https://dairynews7x7.com/in-gujarats-dairy-world-bjp-gets-the-cream-of-the-crop/>



Seventeen years ago, an anguished Dr Verghese Kurien, pre-empting his removal, had stepped down as founder-chairman of the Gujarat Cooperative Milk Marketing Federation (GCMMF) — the umbrella body of dairy co-operatives based in Anand that owns the iconic Amul brand. Announcing his resignation on March 6, 2006, at the Indian Institute of Rural Management (IRMA), another institution he had set up, Kurien had famously said, “I am anguished and pained by the recent move of the GCMMF Board against me. Having served the cooperative dairy sector for over five decades with complete dedication and commitment, do I deserve this kind of treatment?”

Three years later, the Gujarat government asked the GCMMF to withdraw the perks to Kurien. For an organisation that had booted out an institution like Kurien, the ouster of GCMMF

Managing Director Rupinder Singh Sodhi fit into a list of unceremonious exits of high-profile management who did not toe the political line. Since Sodhi's exit, Baroda Dairy chairman Dinesh Patel alias Dinu Mama has quit, and on January 21 three top officials of Surat's SUMUL dairy were removed on charges of irregularities. The Baroda and Surat dairies are members of the GCMMF

The intense politicking is solely over wresting control over a body that not only has an annual turnover of Rs 61,000 crore, but also has under its umbrella a sizeable 36.4 lakh farmers among milk producers of the 18 district dairy unions. Presenting the last annual report as the GCMMF chairman for the year 2004-05, Dr Kurien had stressed on professionals heading cooperatives. Fearing that the cash-rich milk cooperatives can easily turn into an arena for political wrestlers, Kurien in his speech had cautioned: “No political consideration must colour the policies, objectives, strategies and functioning of a co-operative.”

But Kurien was the last non-political chairman of the GCMMF. Parthi Bhatol who succeeded him, and was twice chairman of the federation,

unsuccessfully contested the Lok Sabha election in 2019 on a Congress ticket. His son Vasant won the Danta seat by-election in Banaskantha in 2009 on a BJP ticket, and joined the Congress in 2019, just ahead of the Lok Sabha election.

He returned to the BJP last year.

Bhatol was succeeded as the GCMMF chairman by the then chairman of Mehsana's Dudhsagar Dairy, Vipul Chaudhary, a former minister in the Shankersinh Vaghela government. Chaudhary quit the Congress to join the BJP in 2007 in the presence of then chief minister Narendra Modi. However, in 2013, the BJP frowned upon Chaudhary's "closeness" to the UPA 2 government at the Centre, when, as Amul chairman, he sent Rs 22 crore worth of cattle fodder to Maharashtra, free of cost. An FIR was lodged

against him at Mehsana. The GCMMF removed him via a no-confidence motion, which he fought in the Gujarat High Court and lost in 2014.

He later lost elections to the Dudhsagar Dairy, and in December 2020, the Anti Corruption Bureau arrested him in a Rs 14.8 crore bonus scam at Dudhsagar Dairy. He also faces another investigation by the same agency in a Rs 800 crore worth of 'irregularities' at the dairy between 2005-2016, for which he was arrested in September 2022. However, given his clout in the Chaudhary community, even Chief Minister Bhupendra Patel did not seem to mind sharing the stage with him at a recent community event.

FSSAI asks to check on products being sold as plant-based ghee

JAN 25, 2023

<https://dairynews7x7.com/fssai-asks-states-to-check-on-products-being-sold-as-plant-based-ghee/>



In its latest order, the Food Safety and Standards Authority of India (FSSAI) has asked food safety commissioners to take "enforcement action" against companies that are selling plant-based ghee and butter. In its order dated January 23, it said that such products are of non-animal origin and are blends and mixtures of edible oils and hydrogenated fats, among others. It also raised concerns about products that are "deceptively sold" as "vegan ghee." It pointed out that, as per the Vegan Foods Regulations, ghee or butter cannot be claimed to be vegan foods, and also that use of a vegan food claim or logo cannot be made without its prior approval.

Usage of terms

In terms of usage of dairy terms, FSSAI stated that with respect to a product that is not milk, a milk product, or a composite milk product, "no label, publicity material, etc., shall be used that claims, implies, or suggests that the product is milk, a milk product, or a composite milk product." It also pointed out that according to the FSS (Prohibition and Restriction on Sales) Regulations 2011, no person can manufacture or sell ghee that contains "any added matter not exclusively derived from milk fat."

'Take action'

The regulator asked Food Safety Commissioners and Regional Directors to immediately check labels of "such products" that are being manufactured or sold in their jurisdiction, including on online platforms or websites. It asked them to take "enforcement actions" against such food business operators who were selling plant-based ghee or butter products or making vegan

food claims without the prior approval of the Food Authority. It has also asked them to submit an action taken report by February 15. RS Sodhi, President, Indian Dairy Association, thanked FSSAI on Twitter for its quick response, stating it will help maintain farmers' livelihoods.

But industry sources pointed out that companies manufacturing and marketing non-dairy milk and other plant-based products have filed a case challenging similar orders issued by the FSSAI in 2021. The matter is still subjudice before the Delhi High Court, sources added.

Amul elections: Shamal Patel to continue as GCMMF chairman

JAN 25, 2023

<https://dairynews7x7.com/amul-elections-shamal-patel-to-continue-as-gcmmf-chairman/>



Shamal Patel was re-elected as the chairman of Gujarat Cooperative Milk Marketing Federation (GCMMF), the umbrella body of milk cooperatives in Gujarat which owns the brand Amul, Tuesday.

Valamji Humbal was also elected as the GCMMF vice-chairman for the second time in the election that took place in Anand in presence of the heads of all the district cooperative milk unions. The election comes just a couple of weeks after the Board of Directors of GCMMF abruptly ended the services of its Managing Director, RS Sodhi. According to sources, Sodhi was removed after intervention by the BJP, which all the chairmen of 18 district cooperative milk unions (all members of GCMMF) are affiliated to. The sources within GCMMF said that the two leaders were unanimously elected, and it was

thus just a formality after the BJP issued a mandate regarding the elections that were being held after a gap of 2.5 years.

The election conducted by Deputy Collector of Anand saw Ashok Chaudhary, chairman of Dudhsagar Dairy in Mehsana formally nominate Shamal Patel, while Ramsinh Parmar, chairman of Kaira Milk Union supported it. Similarly, the name of Valamji Humbal was proposed by Mansinh Patel, the chairman of Surat Milk Union, an official release from GCMMF stated. Shamal Patel, who is also the chairman of Sabarkantha District Cooperative Milk Producers' Union — which has annual sales of over Rs 6,800 crore —, and Humbal, who heads Sarhad Dairy in Kutch — has turnover over Rs 850 crore — were elected as GCMMF chairman and vice-chairman respectively for the first time in July 2020

After being re-elected, Shamal Patel said it was a matter of "great honour to lead an institution like the federation which was founded by V Kurein", and dairy cooperatives have been successful since last seven decades due to high values and standards set by its founders Tribhuvandas Patel and V Kurein..

How Hatsun Agro is growing byte-by-byte

JAN 24, 2023

<https://dairynews7x7.com/how-hatsun-agro-is-growing-byte-by-byte/>



Hatsun Agro Product Ltd has an asset that you can never find in its balance sheet, nor does it find a mention in any of its annual reports. The company has just begun to use it.

“Data is Hatsun’s hidden asset,” says R G Chandramogan, Chairman of the ₹6,500-crore dairy products company, the biggest in south India. About four years ago, Hatsun Agro decided to ear-tag all the cows owned by farmers supplying milk to the company. Ever since, every single detail of each animal has been recorded—yield of each cow, insemination, pregnancy and calving. So, “today, we know our six lakh animals,” Chandramogan told businessline today.

Artificial intelligence

What does one do with data? ‘Artificial intelligence’ of course! Chandramogan said that after 3-4 months, the company would take a call on running artificial intelligence. “We are considering it,” he said.

In earlier conversations, company insiders had told businessline that milk quality and yields would only go up when they run artificial intelligence on the data. For example, one would know which semen yields the best offspring.

Artificial insemination

Whenever Hatsun chooses to run artificial intelligence on its data, it would then be the second time it uses an AI in its operations. For many years now, the company has been using the other AI – artificial insemination. Hatsun, which

has made it its business to assist the 4-lakh farmers who supply milk to it, in their animal husbandry, intervenes in several ways—getting the animals’ health checked and artificially inseminating the cows with the best semen. In this again, data is proving to be helpful. Now the company “knows the father and mother” of each calf. So, when the calf attains puberty and is ready for artificial insemination, Hatsun knows which semen not to give, so as to avoid in-breeding. “Earlier, we didn’t know, but now we do,” Chandramogan said.

Animal’s health

Likewise, data also helps in predicting disease. If you know the parent had a disease, you know the offspring is prone to it.

Asked if the company is seeing the benefits of in-breeding avoidance and disease prediction, particularly in terms of milk yield, Chandramogan said that such a determination would take some more time, but “we know we are on the right track.” He observed that the last three years had been “volatile” and most farmers, particularly during the Covid-19 times, could not maintain their animals properly. Tight now is the “stabilisation period” when the animals are regaining their health.

Rights issue

Hatsun Agro has just raised ₹300 crore through a rights issue, which would be utilised to pay-off high-cost debt. Chandramogan said that the company has just completed its ₹1,400-crore capex program, in which it built new milk, ice-cream and curd. “Future investments will be less, the focus will be more on developing markets and increasing capacity utilisation of our plants,” Chandramogan said.

On the NSE today, the shares of Hatsun Agro closed at ₹905.05, up 1.75 per cent .

Online Open Course on dairy farming by NDRI Karnal for all

JAN 24, 2023

<https://dairynews7x7.com/massive-online-open-course-on-dairy-farming-by-ndri-karnal-for-all/>

Massive Open Online Course (MOOC)

on

Commercial Dairy Farming

(February 01- March 31, 2023)

It gives us immense pleasure in informing you all that ICAR-National Dairy Research Institute, Karnal is going to introduce Massive Open Online Course (MOOC) in Commercial Dairy Farming from 1st February 2023 in collaboration with ICAR-National Academy of Agricultural Research Management (NAARM), Hyderabad. It is a two month online course open to all. It's registration is free for course completion. However, for obtaining a certificate successful candidates need to pay requisite charges (₹ 3,540/-, Rupees three thousand five hundred and forty only including GST). This is a first of its kind initiative in National Agricultural Research and Education System (NARES). It is developed and financially supported by our on-going IDP sub-project funded by NAHEP, New Delhi. Anticipated benefits to different stakeholders: It is anticipated to have benefits for the prospective entrepreneurs, dairy farmers, field extension functionaries and unemployed youth in finding best methods of establishing and managing a commercial dairy farm. Further, for students it is anticipated to serve as a bridge course to fill the gaps in animal husbandry related aspects and claim credits in their academic bank. However, claiming of credits as

part of their academic bank is subject to the approval of the Academic Council of ICAR-NDRI, Karnal.

For general public, it may serve as a course to know about dairy farming in a holistic manner from the best Scientists of ICAR-NDRI, Karnal by sitting at their convenient place and access to the course at their convenient time and upon successful completion get the certificate from top ICAR institutes.

Kindly circulate it to all the concerned and give wide publicity, please. Your promotional activity serves the purpose of our organizations reaching the unreached.

Link for the brochure:

http://ndri.res.in/wp-content/uploads/2023/01/MOOCs_CDF_FINAL-3-Pages_Compressed.pdf

Link for the registration of the course:

<https://docs.google.com/forms/d/1AqJWajk63yrvcbKTARcJmtPxJG88obSKOL2z7205Y14/edit>
Looking forward to your active support, enrollment and promotion.

With sincere regards,

S. Subash

P. Narender Raju

Course Incharges

Transporters' strike on, Bengalureans' milk supply hit

JAN 24, 2023

<https://dairynews7x7.com/transporters-strike-on-bengalureans-milk-supply-hit/>



Mounting woes for Bengalureans, milk supply was disrupted in the city as transporters continued their strike in front of Karnataka Milk Federation offices across the city on Sunday.

The strike, headed by the Federation of Karnataka State Lorry Owners and Agents' Association, was launched over growing demand by transporters to revise costs and a new rule by the Karnataka Milk Federation (KMF).

Protesters said that the issue has been compounding as KMF and the Bangalore Milk Union Limited (BAMUL) had refused to revise costs of transporting milk, especially when there is a rise in gas prices. Earlier, 250 transporters under contract with BAMUL launched a strike on Friday, stating they had not been paid adequately factoring in the costs of gas price hike.

Meanwhile, G Shanmugappa of the Federation of Karnataka State Lorry Owners and Agents'

Association stated that KMF demanded that the transporters pay exorbitant rates for each packet of milk damaged during transport. Meanwhile, BAMUL Transporters Association head Govindappa said that BAMUL has been appealed several times to increase the rates of transportation as the suppliers have been facing a loss. He alleged that while a 10 per cent increase had been promised, it had not been done.

However, BAMUL president Narasimha Murthy hit back, stating that a 10 per cent hike has been given. He also stated that tenders have been floated thrice, however, the transporters have refused to come forward. "The suppliers are using trucks that are 20 to 25 years old, which is why we had invited tenders thrice, but no one came forward. We are willing to speak to them, but they refuse to talk to us," he said. Govindappa stated no one has participated in the tender process due to BAMUL's underselling the transporters, and it was difficult for the transporters to meet the specifications set by BAMUL in the tenders.

Goa Dairy hikes rates of milk & milk products

JAN 23, 2023

<https://dairynews7x7.com/goa-dairy-hikes-rates-of-milk-milk-products/>



Goa Dairy has hiked its milk Prices by Rs 3 to Rs 4 per liter for various variants from Saturday, however consumers said the hike is exorbitant and demanded to reduce prices.

Goa Dairy Chairman was unavailable for his comment despite repeated calls.

The standardised milk rates has been hiked from Rs 54 to Rs 58. The toned milk has been hiked from Rs 48 to Rs 51.

Cow Milk Prices has been hiked by Rs 50 to Rs 54 while high fat full cream milk has been hiked from Rs 62 to Rs 67 per liter.

The Goa Dairy has last hiked its prices in May 2022 by Administrator.

The Goa Dairy has been constantly in news with suffering losses for past few years. Now the Goa Dairy Board has been elected and managing the affairs has taken decision.

The Goa Dairy current market sale is increased now to around 60000 liter per day.

With the rising cost of production, Goa Dairy has no choice but to hike the price of milk said sources

The other brands in Goa already hiked prices.

The good cooperative

JAN 22, 2023

<https://dairynews7x7.com/the-good-cooperative/>



Companies are investor-owned entities that exist primarily to maximize their return on capital. This is reflected in the value of their shares, whether traded on an exchange or not. The investor-owner ultimately seeks capital appreciation and the highest possible price for the shares he wishes to sell or pledge to raise further funds.

Cooperatives, on the other hand, are organizations owned by members who can be producers or consumers. These members may own shares, but value the cooperative primarily for the ser-

vices it provides. Such services, if it is a producer-owned cooperative, would include procurement, processing and marketing of their produce or supplying them with inputs used in production. The success metrics in this case are not earnings per share or dividend payout ratio, but purchase price of produce and timeliness of payment or quality animal feed, farm expansion and animal health support, fertilizers and least cost credit.

However, both companies and cooperatives are, at the end of the day, business enterprises whose purpose is – or should be – to provide value to their owners. Take the case of the Gujarat Cooperative Milk Marketing Federation (GCMMF). An apex organization of dairy cooperatives in Gujarat, ultimately owned by 36.4

lakh farmers, supplies milk to 18,154 village-level societies across the state.

Has the GCMMF provided value to these “shareholders”? By all indicators, it is. Between 2001-02 and 2021-22, GCMMF’s sales turnover increased from Rs 2,336 crore to Rs 46,481 crore and average daily milk procurement increased from 47.32 lakh liters to 263.66 lakh litres, which included 42.68 lakh liters from outside Gujarat .

But for the farmer-owner, what really matters is the price paid for his milk, just as for the investor-owner the price of a company’s stock is. In the last 20 years, the average purchase price paid by GCMMF’s district milk unions to producers has increased from Rs 184 to Rs 820 per kg of fat. Amul full cream milk, which contains 6 per cent fat, currently costs Rs 63 per liter Delhi, The manufacturer’s share of this is Rs 820/kg fat and 1.03 kg per litre, which is around Rs 50.7 or more than 80 per cent. In other words, GCMMF is not only helping farmers process and marketing milk, but also getting them the highest possible share of consumer money.

How is this possible? The simple answer is professional management. From the time of Verghese Kurien to BM Vyas and RS Sodhi, the Amul organizational model has been based on an elected board of directors, which functions through a chief executive and his team, which includes marketing and finance professionals, project engineers, veterinarians, Agricultural scientists are included. Nutritionist.

This model sets GCMMF apart from other state dairy cooperative federations, whose managing directors are usually Indian Administrative Service officers who report to secretaries of the animal husbandry and dairy departments. It is not surprising that neither their boards nor managers are accountable to the farmers; These milk producer cooperatives are only in name.

is in this regard Recent departure of Sodhi as MD of GCMMF raises troubling questions.

These are not related to party politics, which is

not new. Gujarat’s milk unions were traditionally controlled by the Congress, which is now effectively ruling Bharatiya Janata Party, But Amul founder Tribhuvandas Patel, a Congressman, had laid down a golden rule that political calculations should not be allowed to interfere in the business operations of cooperatives, let alone affect the interests of their farmer-members. thing is. There was a lakshman rekha that protected the professional manager, encouraging him to do his job.

Sodhi was no ordinary manager. During his 12 years as MD, GCMMF’s turnover grew nearly six-fold (from Rs 8,005 crore in 2009-10) and milk procurement nearly tripled (from 93.02 lakh liters per day). Under his leadership, the federation started procuring from farmers in other states as well, and Amul became the liquid milk market leader in Delhi-NCR as well (where it sells about 40 lakh liters per day today as against Mother Dairy’s 30 lakh litres).

It is not clear whether Sodhi resigned or was asked to leave. Letter addressed to him by President and Vice President of GCMMF dated 9th January – “Your services as MD are hereby terminated with immediate effect...It is ordered that you step down immediately and COO (Chief Operating Officer) hand it over to” – seems to suggest the latter. Sodhi, undoubtedly, was already on a two-year extension and his departure should not have normally come as a surprise. but the tone

The letter marks a departure that is far from dignified – for someone who had given the organization over 40 years and clocked a compound annual revenue growth of 15.8 per cent during his tenure as MD.

The decision to relieve Sodhi is reportedly taken at the political level and apparently “to protect the Amul brand”. The first part, if true, reduces the GCMMF to a government departmental undertaking and a board that is neither independent nor accountable to its ultimate farmer-shareholders. This is completely against the

ideas and principles of cooperation of Tribhuvandas Patel and Kurien. As far as the Amul brand is concerned, nothing can be more ridiculous than imagining threats from a person who took its equity and status to a completely different level.

The Amul model has been about farmer empowerment and giving importance to professional management in organizations controlled

by and working for producers. It is perhaps a sign of the times that the National Dairy Development Board, which spearheaded India's White Revolution, has become insignificant. Today it does not have a full-time chairman, despite being headed by IAS officers after 2014. It can be expected that GCMMF does not face such a crisis in the days to come.

Reports Related To Milk Adulteration False: Government

JAN 21, 2023

<https://dairynews7x7.com/reports-related-to-milk-adulteration-false-government/>



The Centre on Thursday termed "false" a media report that the WHO has issued an advisory to the government stating if adulteration of milk and milk products is not checked immediately, 87 per cent of citizen would be suffering from serious disease like cancer by 2025. In an official statement, the Fisheries, Animal Husbandry & Dairying Ministry said the government is taking all possible steps to help supply of safe and good quality milk to the consumers.

"It has come to the notice of Department of Animal Husbandry and Dairying that a media report about a WHO advisory to the Government of India allegedly states that, if adulteration of milk and milk products is not checked immediately, 87 % of citizen would be suffering from serious disease like cancer by the year 2025," it said. The dissemination of this kind of false information is creating unnecessary panic among the consumers, it added. The issue has already

been examined in the department in consultation with Food Safety and Standards Authority of India (FSSAI), it said.

"WHO country office in India confirmed to FSSAI that no such advisory has been issued by WHO to Government of India ever," the statement said. The department said that this kind of false information being circulated on social media and on WhatsApp should not be given any credence whatsoever. The Department of Animal Husbandry and Dairying and FSSAI are taking all possible steps to help supply of safe and good quality milk to the consumers across the country, the statement said.

Milk production in the country has increased from 146.3 million tonnes in 2014-15 to 221.06 million tonnes (66.56 crore litres per day) in 2021-22 with the annual Growth Rate of 6.1 per cent. The department had also conducted a study on demand of milk and milk product in India during 2019. As per the study, the total consumption at the all India level in 2019 was 162.4 million metric tonnes (44.50 Crore Kg per day) for milk and milk products.

Thus, milk production in the country is sufficient to meet the domestic demand, the department added. The quality of milk and milk products sold in market is governed by standards laid down and enforced by the FSSAI. In the last na-

tionwide National Milk Safety and Quality Survey conducted by FSSAI, out of 6,432 samples of milk taken, only 12 samples (0.19%) were found adulterated that render the milk unsafe for human consumption. “While, this is a concern it is

far from the perception that liquid milk in the country is largely adulterated,” the statement said.

Hatsun Agro sees dip in Q3 profit as input costs rise

JAN 21, 2023

<https://dairynews7x7.com/hatsun-agro-sees-dip-in-q3-profit-as-input-costs-rise/>



India’s Hatsun Agro Product Ltd HAPL.NS, which sells Arun ice cream and Arokyam milk, reported a 2.9% fall in quarterly profit on Thursday, hurt mainly by a surge in prices for animal feed and milk procurement.

The Chennai-based company said net profit dropped to 464.4 million rupees (\$5.71 million) in the quarter ended Dec. 31, from 478.4 million rupees in the year-ago period.

While the quarter coincided with the October-February flush season when cattle naturally produce more milk, the prevalence of lumpy skin disease meant some of it went to waste.

Moreover, fodder prices went up due to a shortage as wheat and maize output fell, affecting most dairy farms in India.

Hatsun Agro’s raw material costs rose 15.6% to 12.03 billion rupees in the quarter and accounted for nearly three-fourths of total expenses.

The company was also hurt by the unexpected and prolonged rains in South India, from where it gets more than half of its revenue.

Its overall revenue rose 7.5% to 16.95 billion rupees in the latest quarter. However, that was slower than the 13.7% growth in the December quarter a year ago.

Nonetheless, price rises helped Hatsun Agro’s core profit margins expand to 11.21% from 10.59% a year ago. (\$1 = 81.3450 Indian rupees)

Amul, NAFED among promoters of New national export cooperative

JAN 20, 2023

<https://dairynews7x7.com/amul-nafed-among-promoters-of-new-national-export-cooperative/>



The proposed national multi-state cooperative export society, to be established under the Multi State Cooperative Soci-

eties (MSCS) Act, 2002, will have a paid-up capital of Rs 2,000 crore, a top official at the Union Ministry of Cooperation said Thursday.

The official said the proposed export cooperative will have five promoters — Gujarat Cooperative Milk Marketing Federation (GCMMF), the Amul brand’s promoter; National Agricultural Cooperative Marketing Federation of India

Ltd (NAFED); National Cooperative Development Corporation (NCDC); Indian Farmers Fertiliser Cooperative Limited (IFFCO); and Krishak Bharati Co-operative Limited (KRIBHCO). Initially, these five promoters will invest Rs 100 crore each, the official said.

This will be the largest of the three proposed national cooperative societies to be established under the MSCS Act. The Union cabinet Wednesday gave its nod to establish the three three national-level multi-state cooperatives under the Multi State Cooperative Societies (MSCS) Act 2002. These are national multi-state cooperative export society; national multi-state cooperative organic society; and national level multi-state seed cooperative.

The proposed national multi-state seed cooperative will have an authorised share capital of Rs

500 crore. However, it will be established with an initial paid-up share capital of Rs 250 crore. It will have five promoters. These include three national cooperatives — IFFCO, KRIBHCO and NAFED — and two statutory bodies — National Dairy Development Board (NDDB) and the NCDC.

The proposed national-level cooperative society for organic products will have an authorised share capital of Rs 500 crore, an official said.

Five cooperative bodies — GCMMF; NAFED; and National Cooperative Consumers' Federation of India Limited (NCCF); NDDB; and NCDC — have come forward to take the initiative of the ministry to set up an organic cooperative society. The society will have an authorised share capital of Rs 500 crore. It will have an initial paid-up share capital of Rs 100 crore.

Milk output in Karnataka drops by a million litres a day since July 2022

JAN 20, 2023

<https://dairynews7x7.com/milk-output-in-karnataka-drops-by-a-million-litres-a-day-since-july-2022/>



The Karnataka Milk Federation (KMF) has seen a slump in milk procurement by nine to 10 lakh litres a day since July 2022. Highly placed sources informed DH that on an average, the dairy cooperative has now been procuring 75.6 lakh litres of milk a day from over 26 lakh milk producers in the state. In 2021-22, the output of milk was 84.5 lakh litres a day. This is the first time it has declined in at least the last five years.

Lumpy skin disease (LSD), foot & mouth disease (FMD), floods and inferior fodder have resulted in the decline in milk production in Karnataka.

Production is expected to drop further during summer, as green fodder turns scarce.

Milk shortage has slightly pushed up prices of milk by-products, especially ghee, butter, paneer and others. For instance, ghee and butter are costlier by Rs 30 to 40 a kilo. Many of the 16 milk unions under KMF have scaled down production of milk powder supplied to government schools under the Ksheera Bhagya scheme.

However, managing directors of at least two unions confirmed to DH that milk powder supply is normal since they have enough stocks till April when schools close.

'There is a decrease in production while there is an increase in demand. Small retail outlets have exited the market due to the lack of supply. We are tightening sales based on procurement,' said Tumakuru Milk Union managing director

Suresh B P. He added that the situation is expected to improve by April. Tumkur Co-op Milk Union has witnessed a fall of nearly 70,000 litres of milk a day, the highest in the state. Nyamadeva Prabhugouda, a farmer in the Bagalkot district says the delay in providing vaccines against lumpy skin disease (LSD) and foot & mouth disease has left many cattle head dead.

'In December 2021, I was supplying approximately 135 litres of milk a day to the union. Now, after the death of four of the seven bovines due to LSD, the yield has reduced to 80 to 100 litres a day,' he says.

Officials say KMF used to supply nearly 2,000 tonnes of ghee a month to the Karnataka market in 2021-22. However, due to milk shortage, it has reduced to 1,700 tonnes a month. Similarly, butter production has fallen by 150 tonnes a month. Last year, KMF had a market share of 400 tonnes a month.

Unions in Tumakuru, Kolar, Shivamogga, Ballari and Chikkabalapur districts have seen a huge drop in milk production.

In spite of the slump in milk production, the Hassan Milk Union is all set to export milk and its byproducts to Maldives, West Asia and Singapore. Through KMF, the Hassan union has already dispatched 1.5 lakh litres of tetrapak milk to the Maldives on a trial basis. In another 15-20 days, they are all set to export two lakh litres of milk and 20 tonnes of butter to West Asia.

'Delegates from Arab countries visited the Hassan unit last week to check on the quality of the milk being packed here. There are minor issues which have to be resolved. If our first consignment clicks, then we will be able to export at least 50,000 litres of milk a day to those countries,' said Gopalaiah, MD of the Hassan union. 'The export will ensure steady income to farmers,' said Gopalaiah.

Milk exports are expected to fetch an annual revenue of Rs 500 crore to KMF.

After Nano Urea, Nishikant aims reviving dairy co-ops in Jharkhand

JAN 20, 2023

<https://dairynews7x7.com/after-nano-urea-nishikant-aims-reviving-dairy-co-ops-in-jharkhand/>



Jharkhand State Co-operative Milk Producers Federation, which sells its products under the brand name of Medha Dairy, will open 33 new milk booths in different districts of the state. All these booths will be opened from the Godda Lok Sabha MP fund.

Member of Parliament from Godda constituency of Jharkhand Nishikant Dubey announced it through his twitter wall. "In order to provide good quality milk to the people at the cheapest

rate, we have asked the Medha dairy to open 33 new milk booths' , Dubey said, while sharing a media byte through his twitter wall.

"For the establishment of one milk booth, the cost is around Rs 9 lakh and for 33 booths, it will be around 2.97 crore. We have decided to give Rs 3 crore from the MP fund for establishing booths for the common people. If the plan is properly implemented, then we will further expand it", he added.

Meanwhile, talking to the Indian Cooperative Medha Dairy Managing Director Sudhir Kumar Singh said, "These new milk booths will be opened in three districts namely Deoghar, Dumka and Godda of Jharkhand. It will not only

help the farmers of the respective districts but also generate employment opportunities”.

“These booths will be wholly managed by the Medha Dairy. At present there are around 700 temporary booths and about 35 are permanent booths. With the addition of new 33 milk booths, the figures will rise to 65 milk booths”, he said while talking to the Indian Cooperative correspondent on the phone.

He further added, once the amount is credited in the accounts of Medha Dairy, the process of opening these new milk booths will be completed in the span of six months. We are procuring 1.80 lakh litre milk per day and till the end of the current financial year, we will reach 2 lakh liter milk per day, Singh added.

It is reported that on the occasion of Hindu Festival Makar Sankranti, Medha Dairy sold 80 tons of Dahi. 42 thousand farmers are associated with dairy and planning to open a powder plant and a product factory at Ranchi in the near future with an estimated cost of Rs 130 crore. Medha established 638 automatic computerized milk weighing and testing systems in villages to check the quality and quantity of milk right there in the presence of milk producers. It bears recalling that last week Nishikant Dubey received IFFCO MD Dr U S Awasthi who had come to Deoghar to review the progress of the Nano urea plant. IFFCO decided to build a Nano plant at the insistence of Dubey, sources add.

LOTTE Confectionary to invest INR 450 crores in Havmor Ice Cream

JAN 20, 2023

<https://dairynews7x7.com/lotte-confectionary-to-invest-inr-450-crores-in-havmor-ice-cream/>



Havmor Ice Cream, one of India's the most loved and trusted Ice Cream brand and a subsidiary of the South Korean company LOTTE Confectionery, has committed to invest INR450 crores over 5 years. This investment comes four years after LOTTE Confectionery acquired Havmor Ice Cream for INR1000 crores in December 2017. Havmor Ice Cream is one of India's fastest-growing ice cream brand with a strong presence in more than 20 states and operates 216 exclusive ice cream parlours in India

Through sustained growth over the years, Havmor Ice Cream is all set to ramp-up its capacity and cater to the growing demand in the Indian market. Havmor Ice Cream will use this investment over a period of 5 years and has announced its plan to set up a new manufacturing facility at MIDC Talegaon, Pune. This cutting-edge facility with high-end engineering and design innovation will be the brand's first ever Korean technology-based facility in India. This facility will be made on a total area of 60,000 sqm leased from MIDC and will lead to a significant increase in its production capacity to meet future demand. The facility will be fully functional in 2024.

Sharing his thoughts on the announcement, Komal Anand, managing director, Havmor Ice Cream, said, “LOTTE sees India as a strategic market & this investment decision demonstrates the confidence that the group has on

the growth opportunity India has to offer. Revolutionizing the Indian palate with lip-smacking options that satisfy consumer demand has been at the center of our initiative. The company launched its global best seller ice cream LOTTE World Cone in 2021 and the acceptance of this product has exceeded expectations.”

He added that the head room to grow consumption is large given that the per capita consumption of ice creams is low when compared with other Asian countries. With this facility we aim to expand our footprint & stem our position for the long run, said Anand.

Commenting on the investment, Choi, chief globalization officer, LOTTE Confectionery Korea

said “India is an important market for LOTTE, and we are very excited to announce our first ever ice cream facility built with Korean expertise in manufacturing, supply chain metrics & processing in India. The new plant will be instrumental in strengthening and growing the brand’s reach in India.”

With the new facility, Havmor Ice Cream will generate employment opportunities for 1000 people from the communities around. The facility will be an addition to Havmor Ice Cream’s existing manufacturing units in Ahmedabad and Faridabad.

Jayshri Gayatri Food Products sets up a new dairy plant in UP

JAN 20, 2023

<https://dairynews7x7.com/jayshri-gayatri-food-products-sets-up-a-new-dairy-plant-in-up/>



Jayshri Gayatri Food Products have expanded its manufacturing capacity by setting up a new manufacturing plant in Kanpur District – Village Kumbhi. This new set-up, JGF Industries, is valued at INR 150 crores and has been implemented within six months. JGF Industries has been set up on 14 acres of land in the Village Kumbhi and will be employing about 500 people to run the plant at full capacity. The new unit has been strategically located to meet the manufacturing demand of JGF while it will also boost milk procurement from local suppliers in the State (Uttar Pradesh). Kishan Modi, managing director, Jayshree Gayatri Food Products, said, “We are grateful to chief minister Yogi Adityanath for enabling ease

of setting up business in Uttar Pradesh through Atal Poorvanchal Udyogik Vikas Parishad and encouraging entrepreneurs like me to contribute towards the region’s socio-economic growth. Besides the manufacturing unit, we are also setting up state-of-the-art chilling centers and milk collection centers (MCC) at various locations in the catchment and will rope in 1.5 lakhs to 2 lakhs farmers under our umbrella.” Speaking about investments in setting up JGF Industries in Uttar Pradesh, Nutan K Choudhry, chief finance officer, JGF Group, said, “This new factory of JGF Industries, which has been implemented within the record time of only six months with a direct Investment of Rs. 150 Crores would have been a challenge without the support of Atal Purvanchal Udyogik Vikas Parishad facilitating single window and ironing out any/all industry related bottlenecks while following full statutory compliances, as per law. Our new factory will be creating backward and

forward integration vendors, boasting the economic growth of the region.”

The factory is all set to begin manufacturing value-added milk products like Ghee, Dahi, UHT Milk, Buttermilk, Skimmed Milk Powder, Whole Milk Powder, Rennet Caseinate, Sodium Caseinate, Fat Filled powder, among other products. Over the years JGF has enjoyed a strong foothold in the B2B segment of the domestic as well as the export markets. Constantly delivering to the high-quality standards of the export markets and an overwhelming acceptance from global consumers, JGF saw a huge potential of introducing a wide product basket under its brand ‘JGF Milk Magic’ in the Indian domestic consumer market.

Jayshri Gayatri Food Products is committed to manufacturing world-class food products and continuously upgrades technology to innovate and upgrade facilities as well as standards. The manufacturing facilities follow stringent processes to ensure that the quality of the products is maintained to match global standards. The growing demand for different dairy products in India is expected to provide an opportunity to expand a range of value-added products. JGF focuses on modern processing techniques, building a modern supply chain, and marketing infrastructure for delivering high-quality requirements.

Four private dairies increase milk price by Rs 2-Rs 4 a litre

JAN 20, 2023

<https://dairynews7x7.com/as-per-the-new-price-the-cost-of-per-litre-of-full-cream-milk-of-private-brands-will-be-rs-72-standardised-milk-will-be-rs-64-and-toned-milk-will-be-rs-52-per-litre/>



Citing increasing input costs, four private dairies selling milk under brand names Thirumala, Jersey, Vallabha and Heritage have increased their prices by Rs 2 to Rs 4 per litre. The hike came into effect between Wednesday and Friday.

As per the new price, the cost of per litre of full cream milk of private brands will be Rs 72, standardised milk will be Rs 64, and toned milk will be Rs 52 per litre. The price of milk sold by state-owned Aavin for the corresponding variants will be cheaper by Rs 12 , Rs 21, and Rs 12

per litre respectively. Private companies buy cow milk at Rs 39 to Rs 41 and buffalo milk at Rs 50 to Rs 55 per litre and they also offer monthly incentives, say dairy farmers.

MG Rajendran, general secretary, Tamil Nadu Milk Producers Welfare Association, said more than 30 lakh

dairy farmers benefit by supplying milk to private companies. As per National Dairy Development Board (NDDB) data, the per capita milk consumption of the state was 316 grams in 2019-20 while the national average was 406 grams. S A Ponnusamy, state president, Tamil Nadu Milk Dealers Welfare Association, said, “Private companies have increased milk price four times in the last 12 months.”

Dairy farmers demand hike in milk procurement price in UDUPI district

JAN 20, 2023

<https://dairynews7x7.com/dairy-farmers-demand-hike-in-milk-procurement-price-to-stage-protest-at-uppoor-on-jan-21/>



Udupi District Dairy Farmers' Union will stage a demonstration in front of the new milk dairy of Dakshina Kannada Co-operative Milk Producers Union Ltd (DKMUL) at Upoor in Udupi district on Saturday, January 21, to urge the government to increase the procurement price of milk.

Addressing press persons in Udupi on Thursday, a former Director of DKMUL and a member of the Union N. Manjappa Shetty Sabladi said that around 3,000 dairy farmers will participate in the protest at 10 a.m.

He said that around 5,000 dairy farmers in Udupi district have quit dairying in the past one year as they have found it economically not viable. Hence, the DKMUL is facing a dearth of 60,000 litres of milk daily. The cooperative has been forced to get milk from Mandya to make up the shortage.

Mr. Sabladi said that the government should hike procurement price of milk immediately to retain dairy farmers. If not farmers who are into dairying now are likely to sell cattle once the ban on the transportation of cattle due to

lumpy skin disease is lifted, it will further aggravate the crisis.

Adding to the disease, rise in the prices of cattle feed and fodder have put dairy farmers in a deplorable situation. The procurement price has not been hiked since past five years, he said.

“As the procurement price of milk was reduced during the pandemic, it was recently restored with a rider that it is restored until further orders. Dairy farmers are expecting that the restored purchase price of milk should continue as it gives some respite,” he said.

The Karnataka Milk Federation (KMF) is forcefully installing Bulk Milk Coolers (BMC) at milk societies. Hence, the maintenance cost is increasing, so milk societies are suffering the losses, he said.

Dharna in Udupi

Meanwhile, dairy farmers under the auspices of Udupi District Sahakara Bharathi staged a dharna in front of Udupi Deputy Commissioner's office on Thursday, January 19, demanding subsidy for the purchase for cattle feed and declare incentive for the farmers. They demanded ₹5 as subsidy per a kg of cattle feed and ₹5 as incentive per one litre of milk procured from farmers. The government should declare the same as in 2013-14 Budget, they said. Later, they submitted a memorandum to the government.

Dairy farmers becoming self-reliant through ODOP in J&K UT

JAN 20, 2023

<https://dairynews7x7.com/dairy-farmers-becoming-self-reliant-through-odop-in-jk-ut/>



One District, One Product (ODOP), launched by Union Ministry of Food Processing Industries to help districts reach their full potential, foster economic and socio-cultural growth, and create employment opportunities, especially in rural areas.

The scheme aims to identify, promote and brand a product from one district. The ODOP scheme aims to turn every district in India into an export hub through the promotion of the product in which the district specializes. The initiative also plans to accomplish this by scaling manufacturing, supporting local businesses, finding potential foreign customers, and so on, thus helping to achieve the 'Atmanirbhar Bharat' vision.

Under ODOP, Rajouri, a border district of the J&K UT, was chosen as a dairy district due to its enormous potential in the dairy sector. Effective measures are in place to help farmers become self-reliant, and steps are being taken to improve market access.

The Lam area of the Nowshera tehsil produces the majority of the district's milk, and the people of this area are heavily involved in dairy

farming. Although the milk production in this area is very high, the main difficulty that the farmers face is market access, as they have to travel to Nowshera, Sunderbani, and Rajouri to sell their milk and milk-based products.

Sensing the gravity and the commitment of the district administration to provide market linkage, Deputy Commissioner, Rajouri, Vikas Kundal, advised that special camps be organised by the DIC and KVIB Departments in Nowshera to encourage farmers and unemployed youths to set up their own ventures in the fields of milk processing and manufacturing units.

Both departments worked tirelessly to encourage people to start the milk processing and manufacturing units, and one, Punit Sharma, from Nowshera, expressed keen interest in establishing the unit, for which the KVIB and DIC Department provided the necessary financial assistance as well as technical guidance to him. Puneet Sharma has now established his own milk processing and manufacturing unit in Nowshera, with the active support of the district administration Rajouri and financial assistance from the concerned departments. Now that the unit is so close to the people of Lam, the dairy farmers in the area sell their milk to Puneet Sharma and receive very reasonable prices for their product, removing the farmers' difficulty in gaining market access.

Vijaya Mega Dairy to be inaugurated by August 2023, says Talasani

JAN 19, 2023

<https://dairynews7x7.com/vijaya-mega-dairy-tobe-inaugurated-byaugust-says-talasani/>



Minister for Animal Husbandry Talasani Srinivas Yadav said that the mega dairy plant by Vijaya Dairy would be ready by August and inaugurated in the same month.

The Minister reviewed the ongoing works of Vijaya Mega Dairy at Raviryal in Rangareddy district on Tuesday.

He was accompanied by Vijaya Dairy chairman Soma Bharat Kumar, Special Chief Secretary Adhar Sinha and others. The plant is coming up at an estimated cost of ₹250 crore in 40 acres area with capacity to process 8 lakh litres milk. The officials explained about the works through a power point presentation to the Minister.

Informing that Vijaya Dairy products are attracting public due to their quality, the Minister said that the government has been extending an incentive of ₹4 per litre to encourage farmers to supply milk to Vijaya Dairy and so far paid ₹100 crore to the farmers and the 1962 service was introduced to extend medical assistance to cattle.

Need to explore ways to reduce climate impact on milk production: Rupala

JAN 18, 2023

<https://dairynews7x7.com/need-to-explore-ways-to-reduce-climate-impact-on-milk-production-rupala/>



Pressing for a need to address the climate impact on animal husbandry sector, Parshottam Rupala, Union Minister for Animal Husbandry expressed the need to explore ways to reduce adverse impact of extreme temperatures on milk production.

At a seminar on Mitigating the adverse impacts of climate change on Animal Husbandry & Dairying, jointly organised in Anand by National Dairy Development Board (NDDB) and National Council for Climate Change, Sustainable Development and Public Leadership (NCCSD), the Union Minister said to in order to reduce Green

House Gases (GHG) emission in the dairy sector, it required that the policies and programmes emphasising appropriate animal breed selection along with balancing of ration and other such steps to improve the productivity of animals are implemented.

Rupala also released bi-annual reports of NDDB-supported Mujkuva Solar Pump Irrigators Cooperative (MSPICE), India's first grid connected enterprise & Zakariyapura Sakhi Khad Sahkari Mandali, women manure management co-operative.

Meenesh Shah, Chairman, NDDB, Kirit Shelat, Executive Chairman, NCCSD among other prominent dairy sector leaders were present at the seminar besides the experts, scientists, academicians and farmers who participated in the deliberations.

In his address, Shah, Chairman, NDDDB said, “NDDDB is committed to mitigate impacts of climate change and promote climate smart dairy-ing. NDDDB’s manure value chain is using dung as a source for biogas used as cooking fuel and slurry-based organic fertiliser to reduce methane emissions and also to provide additional income to farmers. NDDDB has also been promoting adoption of solar energy at various levels of the dairy value chain to reduce use of non-renewable sources of energy.”

Resilient to challenges

He added, “A combination of traditional knowledge and scientific techniques can make

India’s dairy sector more resilient to the challenges posed by climate change.”

According to Shelat, the warming trend has been going on for a long time. “Its pace has significantly increased. The adverse effect of rising temperatures has led to a reduction in animal productivity and spread of new diseases.”

The technical sessions focused on areas like — possible impact of climate change on livestock in tropics & ways to mitigate, role of Indigenous breeds in climate change scenario, strategies for mitigating climate change through nutritional interventions.

India among few nations evolving food systems for farmer-allied SMEs

JAN 18, 2023

<https://dairynews7x7.com/india-among-few-nations-evolving-food-systems-for-farmer-allied-smes-study/>



India figures among the few countries that have been able to evolve their food systems for a broader set of outcomes by unlocking the potential of small and medium-sized enterprises, a new WEF report said on Monday.

The World Economic Forum report, released here on the first day of its Annual Meeting 2023, said the countries that tackle food crisis can boost jobs, health and nature and also meet net zero goals better.

It listed India, Ghana and Vietnam as among the countries that have been able to evolve their food systems by unlocking the potential of SMEs, particularly those that are farmer-allied and operating in local food chains.

Food systems, when transformed, can help solve some of the world’s toughest problems, from climate change to resilient livelihoods, the report said.

“Transforming food systems provide healthy and nutritious diets and dignified jobs for farmers and producers. This report shows how economic development with environment protection supports communities in climate adaption and mitigation efforts,” Gim Huay Neo, Managing Director of the WEF’s Centre for Nature and Climate, said.

The report, prepared in collaboration with Bain & Company, presented repeatable models from seven ‘early mover’ countries in Africa, Asia, the Americas and Europe whose performance has been comparatively strong and whose examples and lessons are widely relevant.

“Depending on the country context, different pathways could be adopted to transform our agri-food systems for improved food security

and nutrition and assuring sustainability,” Maximo Torero Cullen, Chief Economist at the UN Food and Agriculture Organization (FAO), said. “When food fails, everything fails,” Geraldine Matchett, Co-Chief Executive Officer and Chief Financial Officer of Royal DSM, and Co-Chair of the CEO Alliance on Food, Nature and Health, said.

In India, the report said, a multi-decade programme grounded in support for smallholder farmers and dairy enterprises has helped transform dairy into India’s largest agricultural commodity, accounting for roughly one-third of rural incomes and 10 per cent of total caloric intake in 2019.

“This transformation began with public programmes supporting the formation of village-level cooperatives, extension services and credit. In time it evolved to cultivate a domestic

industry that has a number of successful, tech-enabled, vertically integrated enterprises with farmer-allied sourcing models,” it added.

Sector transformations in Vietnam and Ghana have followed much the same path, WEF said. Dairy is the single largest agricultural commodity in India, accounting for 5 per cent of GDP and an important foundation of nutrition.

India is now the world’s largest milk producer and 70 per cent of its milk is produced by its 80 million smallholder farmers with herds of fewer than 10 animals.

As the country continues to urbanise, city dwellers are spending more on dairy and consuming more processed dairy products that carry higher margins.

Between 2002 and 2021, the sector’s value addition doubled, registering nearly USD 15 billion in 2020.

Plant-based market in India to be worth Rs 81,000 crore

JAN 16, 2023

<https://dairynews7x7.com/plant-based-market-in-india-to-be-worth-rs-81000-crore/>



India is witnessing a surge in demand for plant-based products like plant-based meat, plant-based dairy, plant-based nutraceuticals.

Plant-based food products are finished food products composed from components derived from plants, such as fruits, vegetables, whole grains, nuts, seeds and legumes. A growing section of the population is opting for plant-based food products, especially plant-based “meat”, to lead better and healthier lifestyles. According to a research conducted in 2020, 62.8% Indians

are extremely likely to buy plant-based products, while 48.7% of the Indian population would still choose to eat meat from conventional sources.

The recent episode of the global Covid-19 pandemic helped accelerate the push towards plant-based products like never before. The pandemic made people realise the value of life, thus compelling many to switch to healthier lifestyles in that phase. The transition towards plant-based foods is growing as people are consciously cutting down on consumption of traditional meat sources.

Plant-based foods offer a lower fat content, higher fibre content, better control over weight management, equivalent amounts of nutrition through cleaner and leaner foods and easier digestion as compared to the conventional sources of meat.

Not just India, the global market is also experiencing a growth trend in the demand for plant-based foods. Analysts predict the growth of the plant-based market in India at a CAGR of 19.75% by 2025 and estimate its value at Rs 81,000 crore. The colossal increase in the demand proves that people are eager to switch to better control over their health and are well aware of the benefits of these products.

Opting for plant-based products also carry major environmental and moral benefits. Studies have proven that the meat industry is responsible for almost 60% of all greenhouse emissions from food production. Apart from the environmental advantage, dependency on vulnerable livestock animals is also reduced, thereby making such foods cruelty-free.

Apart from the plant-based meat industry, the market for plant-based milk alternatives is also on the rise. With easy access to the informational content and a higher awareness of self, many people possess knowledge about lactose intolerance and conditions resulting from dairy products. Hence, the demand for plant-based dairy products is rising.

Additionally, plant-based dairy products also come with a certain level of fortification as they don't have nutritional content present in them naturally when compared with dairy products. Fortification increases their nutritional value to be either equivalent or higher than the dairy products.

The benefits of adopting a plant-based diet include improved health and reduced risk of obesity, diabetes and cancer. It also reduces carbon footprint and helps conserve natural resources. A study conducted in 2021 showed that use of animals for food is responsible for 57% of all food production emissions. Large areas of additional land are needed to grow the feed that grazing animals need, and this additional land is frequently cleared by cutting down trees in forests. According to the study's calculations, most of the cropland in the world is utilised to feed

cattle rather than people. Additionally, livestock emit a significant amount of methane, a potent greenhouse gas.

Extensive promotion and marketing of these products by famous personalities have led to a monumental impact on the consumers, which justifies the surge in sales. As the plant-based products market is just picking up steam in India, consumers are at advantage due to the competitiveness between multiple manufacturers. To stay buoyant, manufacturers will have to rely heavily on technology to ensure that they are ahead of their competitors.

In addition to technology, manufacturers must introduce innovation in terms of product variants and their taste to be relevant in the Indian market, as Indian food offers diversity in taste and cuisine. It is an uphill task for the manufacturers to strike a chord with the consumers in that regard.

Another huge challenge for the plant-based food manufacturers, specifically the plant-based meat manufacturers, is replicating the exact taste, texture, taste, feel and appearance of the traditional meats. Further, plant-based foods lack in essential nutrients like Vitamin B12 and calcium. Nutrient deficiency is a common problem faced by people who have adopted vegan diet.

Although plant-based foods are more nutritious given their low fat and cholesterol contents, people following veganism are prone to nutrient deficiency. Hence, fortification is a must for such products. Along with fortification, research is required to find more sources of high quality protein and other nutrients.

In the current market, plant-based food products are more expensive than conventional meat sources. This could prove to be a deal-breaker for the consumers looking for cost-effective plant-based food products. Apart from the mentioned issues, the plant-based food products stare at a logistical supply chain problem.

As most of the plant-based foods require cold storage facilities even while transportation, manufacturers fail to find a proper channel for supply and distribution of their products. Resultantly, it affects the availability of those products scarce in the local market. Consumers have to rely on a limited number of channels, most likely the manufacturers' websites, for buying their products. In addition to these challenges, the regulatory struggles for the plant-based food industry are higher than other food tech industries.

Although the plant-based food industry is still in its formative years, its demand is only growing. With the right approach, pricing and strategy, manufacturers of plant-based food products could be a hit with the consumers.

Undoubtedly, the category is revolutionary and is certainly aimed at creating a healthy wave amongst the consumers. It provides a higher quality and cleaner source of protein than its traditional meat counterparts. An increasing number of health-conscious consumers are driving this sector towards success. A lot of confusion still exists in consumers' minds regarding plant-based substitutes, but the market is performing good, thanks to the influence of celebrities and prominent personalities through advertisements and marketing.

A larger section of consumers is already aware of the benefits of plant-based food products. The boom in the plant-based food industry is not far away from being the daily preference in Indian homes.

TN: Dairy Farmers in Dire Straits as Fodder Prices Zoom, Inflation Bites

JAN 16, 2023

<https://dairynews7x7.com/tn-dairy-farmers-in-dire-straits-as-fodder-prices-zoom-inflation-bites/>



The Tamil Nadu Milk Producers Association is demanding an increase in milk procurement prices as fodder prices are spiralling.

In November 2022, Aavin, the government milk cooperative, announced an increase of Rs 3/litre for milk procured from farmers and fixed the price of cow milk at Rs 35 and buffalo milk at Rs 44. But the milk procedures association had demanded an increase of Rs 10.

“The fodder for cattle has increased by 50% since 2019. The price of other essential commodities has also increased drastically. A mere

Rs 3 hike is not fair,” said K Muhammad Ali, President of the Tamil Nadu Milk Producers Association.

The milk procurement price in neighbouring Kerala is Rs 42 for cow milk, which is Rs 7 more than in Tamil Nadu.

Tamil Nadu milk producers staged a sit-in protest on January 9 at the head office of Aavin in Chennai, demanding the government immediately increase the procurement price and announce the revised price.

PROCUREMENT AND FODDER

Milk producers say despite a fixed procurement price, they do not receive the whole amount due to a lack of nutrients in the produced milk. “The legal content for standardised milk is 4.3% fat and 8.2% solid non-fat (SNF). But in around 90% of the milk produced in Tamil Nadu, the content would only be about 4% fat and 8% SNF. Thereby, the procurement price reduces

by Rs 2 or Rs 3,” said Perumal, general secretary of the Tamil Nadu Milk Producers Association.

“In some regions, the procurement price dips down to as much as Rs 24,” he added.

Dairy farmers are facing difficulty in feeding the livestock due to the hike in fodder price, and this has affected the produce.

The association demands a 50% subsidy on compound fodder, a mixture of groundnut cake, bran, cotton seed and a few other items.

“Moreover, the cattle feed industries in Erode, Ambur, Madurai and others should be fully functional. Only portions of these industries are functioning at present,” said Perumal.

The association also demanded the milk procurement price be fixed every year, similar to other agricultural products.

‘IMPROVE AAVIN’

Tamil Nadu Milk Producers Association has also raised concern regarding milk producers moving away from Aavin and toward private companies.

“The private companies are paying anywhere between Rs 5 to Rs 10 more than what Aavin is providing. Thereby, only around 10% of milk produced in Tamil Nadu is given to Aavin,” said Perumal.

“Around two crore litres of milk are produced every day in Tamil Nadu. As per the government data, 42 lakh litres of milk is procured by Aavin, but recently it has further decreased to 34 lakh litres,” he added.

“In neighbouring Karnataka, one crore litres of milk is produced daily. Approximately 75% of this is procured by the state cooperative Nandini,” he said.

“Recently, in Krishnagiri, Aavin paid dairy farmers 60 to 70 days after procuring milk. When this happens, farmers run out of funds for daily expenses, and they move to private companies,” he said.

“Aavin should also focus on marketing. In big cities like Chennai, which require several lakhs

of milk daily, private companies like Heritage are expanding,” he said.

“If this situation continues, it could lead to a step-by-step closing down of the Aavin society,” he said.



Protest outside Aavin head office. Image courtesy: P Shanmugam

The milk producers’ association also observed fraudulent activities in the Aavin society, which should be checked.

Muhammed Ali also said that “despite the 2017 Madras high court ruling, milk is being diluted. The court ordered the state to set up a system to check nutrient content in milk at the time of procurement, but no measure was taken.”

Observing adulteration in milk, the Madras High Court in 2017 directed the government to file a status report on the action taken on such complaints.

The Association also demanded infrastructural development for Aavin.

“Aavin does not have sufficient funds to stock the milk by-products such as butter, ghee, etc. It is unfortunate that in the previous festive season, Aavin bought 250 tonnes of butter from private companies to produce sweets,” said Perumal.

Other demands included job security and regularisation of Aavin workers, loans to buy cows and to set aside Rs 500 crore as revolving funds for Aavin.

‘BOOST PRIMARY SOCIETIES’

There are approximately 9,000 primary milk cooperative societies and 25 district-level cooperatives in Tamil Nadu.

The state government has a pending amount of Rs 500 crore to milk producers via these coop-

eratives. The milk producers association demanded this to be disbursed before Pongal, which will be celebrated on January 15.

Perumal said, "A few of these societies have been shut because of loss."

"In Karnataka, an incentive amount of Rs 5 is provided for milk producers by the government cooperative Nandini. This should be implemented in Tamil Nadu as well," he said.

From the milk procurement amount, Rs 1.25 is the margin amount deducted to be spent towards society, such as labour and maintenance charges.

"Given that the amount of milk procured has reduced and because the procurement price is not sufficiently increased, the funds for the primary societies are limited," said Perumal.

Noting that the standard and quality of the functioning of these societies have stagnated, the association demanded a hike of Rs 0.5 margin price for every litre of milk procured.

Tamil Nadu has over 4.20 lakh farmers attached to primary cooperative societies.

Global News

Unilever Taps Dairy Boss as New CEO

JAN 31, 2023

<https://dairynews7x7.com/unilever-taps-dairy-boss-as-new-ceo/>



Unilever PLC UL 0.82% increase; green up pointing triangle has appointed Hein Schumacher as its new chief executive, tapping the head of a European dairy cooperative to lead its effort to reinvigorate growth and navigate economic challenges.

The owner of Ben & Jerry's ice cream and Dove soap said Mr. Schumacher would become CEO on July 1. He succeeds Alan Jope, who the company said in September would retire in 2023.

The CEO change comes as Unilever looks to boost sales across its sprawling portfolio, while grappling with rising input costs, changing consumer trends and economic uncertainty.

Mr. Schumacher, 51, is currently CEO of Royal FrieslandCampina, a dairy and nutrition business based in the Netherlands that operates in more than 40 countries. He joined Unilever's board as a nonexecutive director in October. Unilever said Mr. Schumacher had delivered significant portfolio and organizational change at Royal FrieslandCampina and had previously worked for Heinz, leading a turnaround of its Asia-Pacific operations. Mr. Schumacher started his career in finance at Unilever.

Mr. Schumacher said Monday he would be "focused on working with the Unilever team to deliver a step-up in business performance."

The news was welcomed by activist investor Nelson Peltz, who said he strongly supported Mr. Schumacher's appointment. Mr. Peltz himself was added to Unilever's board last

year after his Trian Fund Management LP took a stake in the company.

Mr. Peltz, who was previously a director at Heinz, said he first met Mr. Schumacher at the ketchup maker and was impressed by his leadership skills and business acumen.

Unilever's share price has underperformed that of rivals Nestle SA and Procter & Gamble Co. over the past five years, putting the company under pressure from some analysts and investors. It faced additional criticism last year after a botched multibillion-dollar bid for the consumer-healthcare business now known as Haleon PLC. The emergence of Mr. Peltz's Trian as one of Unilever's largest shareholders further ratcheted up pressure on the company's management.

Under Mr. Jope, Unilever has already taken steps to improve its performance. The company has sold off slow-growing businesses like tea and initiated a sweeping reorganization aimed at making it more responsive to trends. Unilever has also indicated it could sell off more businesses to shift toward higher-growth categories such as health. Analysts have suggested that potential divestitures could include the company's food brands or ice-cream business.

The task of whether to continue to pursue that strategy now falls to Mr. Schumacher.

Martin Deboo, an analyst at Jefferies, said he welcomed the appointment of an external candidate. He said his immediate question was where Mr. Schumacher stood on the relative attractiveness of Unilever's foods business and the merits of a potential separation of those operations from the company's home and personal-care divisions.

Whether Unilever should continue to own a food business alongside its high-end skin-care, laundry-detergent and vitamins brands has long

been a source of debate for analysts. A spokesman for Unilever declined to comment on the company's portfolio.

Unilever shares rose almost 1% in early afternoon trading in London.

FrieslandCampina shares key industry trends for 2023

JAN 29, 2023

<https://dairynews7x7.com/frieslandcampina-shares-key-industry-trends-for-2023/>



FrieslandCampina Ingredients, the global innovator in healthy and functional ingredients, has announced the release of its third annual magazine detailing five key trends that will drive the evolution of food, drink and supplement industries in 2023. The magazine, titled 'Shaping the future of Nutrition 2023', offers expert insights into current consumer drivers to help brands identify new areas for innovation and new product development (NPD) in the adult nutrition sector. While 2022 saw several seismic shifts in consumer behaviours, like health of the planet beating health of the population to the top consumer priority for the first time, 2023 looks set to be an evolution of these macro trends. This year, FrieslandCampina Ingredients believes brands that focus of building credibility and truly helping consumers get the most out of life, at every stage, will stand out from the crowd. The five key trends shaping consumer habits in the specialised adult nutrition sector are: Building trust for planet-first nutrition The health of the planet has cemented itself as the top consumer priority. And while this looks set to continue for the foreseeable, consumers are becoming increasingly sceptical – 38% do not trust companies to be honest about their

environmental impact. However, 83% of consumers are more likely to trust sustainability claims that are verified by a third party. Working together as a cohesive industry to lower our impact on the environment will help companies big and small meet their sustainability targets and bolster trust among consumers at the same time.

Resilience and the power of positive nutrition As the world adjusts to post-COVID life and the global cost of living crisis, consumers are feeling stressed, and are increasingly seeking out a sense of balance to build resilience. To do this, many are turning to positive nutrition – or focusing on adding beneficial foods, drinks and supplements to their diets, rather than removing less nutritious foods. As a result, consumers are looking for solutions that offer healthy indulgence – and fortified and nutritious desserts, drinks and snacks that satisfy both body and mind will be high on the consumer agenda in 2023.

Alternative proteins find their own feet As plant-based becomes more mainstream, consumers increasingly expect high-quality, highly nutritional products that go beyond recreating animal-based applications. Emerging technologies, such as precision fermentation, are opening up new opportunities in 2023 for brands – but mastering taste and texture remains paramount. In 2023 and beyond, FrieslandCampina Ingredients believes that the protein market will continue to evolve; combining

animal, plant-based and novel proteins to keep up with consumer lifestyle choices and to feed a growing population.

Going for gut health

In an era defined by uncertainty, it's no surprise that consumers are turning their focus inwards and prioritising overall well-being. With rising consumer awareness of the gut microbiome's role in supporting improved mental health, stress and sleep, brands can attract consumer attention by creating accessible self-care moments. And thanks to ingredient innovations in the space, unique and trending formats can be created, such as teas, shots and fortified gummies using good-for-gut ingredients such as prebiotics.

The era of active ageing

Our planet is now home to 8 billion people, including a growing number of older individuals. As healthcare evolves, global emphasis is shifting from 'healthy' to 'active' ageing, with older adults focused on getting the most out of life. This offers a wealth of opportunities for brands to create solutions targeting emerging markets like Japan and South Korea with products that

support long-term strength, balance and mobility.

"We're living in tumultuous times. So, it can be difficult to predict exactly what the future will hold. However, what's clear is that in 2023 consumers will continue to prioritise health – both their own and that of the planet," said Vicky Davies, global marketing director for Performance, Active and Medical Nutrition at FrieslandCampina Ingredients. "Despite several market challenges, there is huge opportunity for brands to tap into these evolving trends. From mood-boosting gut health supplements to edible moments of indulgence, new ingredient innovations are inspiring product development across the adult nutrition space."

"But to truly stand out from the crowd brands will need to bolster trust and credibility to win the faith of consumers, especially when it comes to sustainability," added Davies. "At FrieslandCampina Ingredients, collaboration is our DNA. Using our latest insights, our experts can work with brands to create on-trend nutritious, efficacious and sustainable solutions to help support consumers at all stages of life."

GoodSport, a Dairy-Based Sports Drink, Set to Hit Walmart Store

JAN 29, 2023

<https://dairynews7x7.com/goodsport-a-dairy-based-sports-drink-set-to-hit-walmart-store/>



Powered by the goodness of milk, a first-of-its-kind sports drink is set to more than 1,000 Walmart store shelves across the Midwest.

GoodSport Nutrition Founder & CEO Michelle McBride came up with the dairy-based sports

drink concept after being frustrated with other beverage options.

"I didn't want my son drinking sports drinks filled with artificial ingredients that were being offered to him at his baseball games," McBride says. "I gave him chocolate milk as a healthier alternative after his workouts, and it provided the inspiration to look at milk as a source of hydration during physical activity."

Now, McBride's innovative product will reach millions of consumers across the nation.

"It will come as no surprise to the dairy industry that milk is more hydrating than water and

sports drinks. GoodSport uses ultrafiltration to deliver milk's hydration benefits in a clear, all-natural and refreshing sports drink," says Iowa dairy farmer, Dan Venteicher.

Research has shown that milk is a natural source of the essential electrolytes and carbohydrates needed to provide effective hydration. Additionally, scientific studies have shown that milk actually hydrates better than traditional sports drinks and water.

Because milk is a perishable product, though, it has a shorter shelf life than sports drink products. Furthermore, it can be difficult to consume both before and during a workout due to its consistency and protein content. However, GoodSport's formula and process cracked the code to provide naturally powerful hydration in a clear and thirst-quenching beverage. It delivers three times the electrolytes and 33% less sugar than traditional sports drinks, according to the company. All ingredients are from natural sources and the beverage provides a good source of calcium and an excellent source of B vitamins. It is lactose free and shelf stable. The product has launched with full support from dairy industry groups, including dairy checkoffs. During the formulation of the beverage, McBride worked with Kimberlee Burrington, a dairy ingredient, cultured products and beverages coordinator at the Center of Dairy Research. The GoodSport Nutrition team showed how ultrafiltration could harness milk's electrolytes, vitamins and carbohydrates and

remove its protein to create a clear, light beverage with a mouthfeel that consumers expect from a sports drink.

Additionally, Burrington helped the GoodSport team source its main ingredient sustainably. According to the release, dairy companies often ultrafilter milk and use its protein to make products such as cheese and are unable to use the nutrient-rich part of the milk – permeate. GoodSport rescues this byproduct from dairy companies to produce its beverage.

Dr. Bob Murray, co-founder and former Director of the Gatorade Sports Science Institute also helped oversee GoodSport's formulation.

"Having spent my career in hydration and exercise performance research, I've known milk has the ingredients to provide superior hydration, but never before has anyone found a way to transform milk into an extremely effective and refreshing sports drink," Murray says. "It's exciting to be part of the team that's bringing something entirely new with superior hydration to the sports drink category."

GoodSport is an official hydrator of the Chicago Sky and is used widely by professional athletes across sports leagues.

"It's fun watching the playoffs and seeing teams and athletes that order our product – it's hard to know who to root for," McBride says.

Currently, GoodSport comes in four flavors in 16.9-ounce bottles: lemon-lime, fruit punch, wild berry and citrus.

Journal of Dairy Science: Milk's Packaging Influences Its Flavor

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<https://dairynews7x7.com/journal-of-dairy-science-milks-packaging-influences-its-flavor/>



The dairy industry strives to preserve the quality and safety of milk products while maintaining the freshest possible taste for consumers. To date, the industry has largely focused on packaging milk in light-blocking containers to preserve freshness, but little has been understood about how the packaging itself influences milk flavor. However, a new study in the *Journal of Dairy Science*[®], published by Elsevier, confirms that packaging affects taste—and paperboard cartons do not preserve milk freshness as well as glass and plastic containers. Lead investigator MaryAnne Drake, PhD, of the North Carolina State University Department of Food, Bioprocessing and Nutrition Sciences, Raleigh, NC, USA, explained that “milk is more susceptible to packaging-related off-flavors than many other beverages because of its mild, delicate taste.” Besides light oxidation, “milk’s taste can be impacted by the exchange of the packaging’s compounds into the milk and by the packaging absorbing food flavors and aromas from the surrounding refrigeration environment.” To quantify the flavor impacts of packaging, the researchers examined pasteurized whole and skim milk stored in six half pint containers: paperboard cartons, three plastic jugs (made from different plastics), a plastic bag, and glass as a control. The milk was stored in total darkness to control for light oxidation and kept cold at 4°C (39°F).

The samples were tested on the day of first processing, then again at 5, 10, and 15 days after. A

trained panel examined the sensory properties of each sample, and the research team conducted a volatile compound analysis to understand how the packaging was intermingling with the milk. Finally, the samples underwent a blind consumer taste test on day 10 to see whether tasters could tell any difference between milk stored in the paperboard carton or the plastic jug compared with milk packaged in glass. The results showed that package type does influence milk flavor, and skim milk is more susceptible to flavor impacts than whole milk. Of the different packaging types, paperboard cartons and the plastic bag preserved milk freshness the least due to the paperboard’s absorption of milk flavor and the transfer of paperboard flavor into the milk. Milk packaged in paperboard cartons, in fact, showed distinct off-flavors as well as the presence of compounds from the paperboard. The final results show that, while glass remains an ideal container for preserving milk flavor, plastic containers provide additional benefits while also maintaining freshness in the absence of light exposure. Paperboard cartons are the most widely used packaging type for school meal programs in the United States, so these findings are especially relevant for the consideration of how young children consume and enjoy milk. “These findings suggest that industry and policymakers might want to consider seeking new package alternatives for milk served during school meals,” said Drake. Over time, the consequences of using milk packaging that contributes significant off-flavors may affect how young children perceive milk in both childhood and adulthood.

DSM World Mycotoxin Survey 2023

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<https://dairynews7x7.com/dsm-world-mycotoxin-survey-2023/>



Mycotoxins continued to provide the cereals sector with considerable challenges last year as producers turned to cheaper products to manage risks. The Covid-19 pandemic affected logistics and availability of feed materials. This coupled with increased input and energy costs caused by the war in Ukraine meant significantly higher costs for producers. As a result, some farmers turned to cheaper products to manage their mycotoxin risk.

Annelise Mueller, global product manager DSM and responsible for its annual survey, which has been running since 2004, said a total of 27,279 samples were taken last year with 122,240 analyses from 87 countries for 6 main mycotoxins (aflatoxins, zearalenones (ZEN), fumonisins (FUM), deoxynivalenols (DON), ochratoxins and T-2s).

Areas with extreme risk category

Mueller said mycotoxin prevalence and risk last year was categorised as extreme in China, South Asia and North America with samples showing a total risk of more than 75%. The risk level expresses the percentage of samples testing positive for at least 1 mycotoxin above the threshold level in parts per billion (ppb).

For example, the total risk level in the China/Taiwan was 97% with FUM 93%, DON 84% and ZEN 82% being the most common mycotoxins found.

Samples from the Middle East and North Africa, Sub-Saharan and South Africa had total risk levels above the 50% threshold while levels were

lower but still significant in Europe and Oceania. Turbulent weather including heavy rainfall raises concerns about compromised crop conditions and potential mycotoxin challenges throughout the year. Mycotoxins can adversely affect dairy cattle performance and health and cause serious economic issues.

European risk levels

DSM Animal Nutrition and Health mycotoxin risk managers, Dr Wolfgang Markert and Sander Janssen, spoke of varying results across Europe from the nearly 9,000 samples taken. The European risk level of around 40% contained some extremely high DON levels of, for example, 445,000ppb.

In all samples, DON was the most prevalent (46%), followed by ZEN (42%) and FUM (34%) although T-2 levels were significant at 34%. In corn, average levels of DON and ZEN were higher when compared to 2021 statistics.

Higher risk in southern & eastern Europe

In general, higher percentage of mycotoxins were found in southern and eastern Europe. For example, in Italian finished feed, FUM levels were very high (99%), with the hot climate ensuring that FUM grew easily. ZEN and DON were also highly prevalent, and a 42% aflatoxin level was found. Aflatoxins can be transmitted from milk to humans.

Ukraine and Turkey

FUM was also found in 80% of Turkish samples, with high levels of contamination, while in Ukraine a high volumes of ZEN contamination were found in wheat grains samples with levels of 48ppb – close to the risk for sensitive species, such as piglets and up to a maximum of 153ppb. Janssen and Markert said if farmers were to mix grains from Ukraine with finished feed, mycotoxin levels could be too high, so proper analysis and mitigation methods were needed.

Hungary

Markert pointed out that some of the most concerning European statistics had come from Hungarian corn (kernels), where levels across all 6 mycotoxins were relatively high (76% DON, 72% FUM, 40% T-2, 37% ZEN, 33% OTA and 30% aflatoxin).

The Netherlands

Turning to the Dutch results, the presenters said the Netherlands imported a lot of compound feed and the results showed 67% contamination with more than 1 mycotoxin and some high T-2 ppb figures which can be a specific risk to poultry.

Mycotoxins are secondary metabolites produced by fungi, which can multiply and grow fast in a variety of feedstuffs and stages of crop production, especially in warm and humid conditions often observed in southern EU countries.

Middle East and Africa

Further afield, Janssen said samples in the Middle East and North Africa showed FUM mycotoxins were highly abundant and the prevalence of ZEN, FUM and especially DON and T-2 had increased, which was concerning for poultry producers. 100% of corn kernel samples were contaminated with at least 2 mycotoxins.

In sub-Saharan Africa, DON (67%) is the main risk, while ZEN and aflatoxin abundance increased, while there were nearly 800 samples taken from South Africa, showing that nearly 70% had more than 1 mycotoxin.

Advantages of rapid testing

Nora Kogelnik, Romer Labs product manager, talked about the main advantages of mycotoxin rapid tests, highlighting:

Fast and precise results

No laboratory experience needed

Test and results can be carried out on-site

Minimising/preventing disposal of organic solvents

However, while rapid testing is great for raw grains, nuts and grain by-products, Kogelnik admitted it was more limited for finished feed or silage samples. Finished feed is often a complex matrix with formulations which can vary widely. For example, feed formulations can be split into protein meal (vegetable proteins, soybean, canola, animal proteins, meat, bone or fish), grains (wheat, corn, barley, sorghum or rye) and vitamins, minerals and fats (fats and oils, vitamins, minerals, amino acids).

Multi-mycotoxin analysis

Mueller touch on multi-mycotoxin analysis and highlighted 3 which could cause issues for livestock producers:

Beauvericin and Enniatin: These have effects on immune systems and accumulate in fat-rich tissue. Enn B, B1+Beauvericin showed effect on microbiome of piglets and caused histological lesions in piglet's liver.

Moniliformin: Broilers can be very susceptible as this mycotoxin can cause heart damage, muscular weakness, respiratory distress and immuno-suppression issues.

Alternariol: No acute toxicity; cytotoxic and mutagenic in vitro, effects on reproductive and immune system in vitro.

She also spoke about some analysis carried out on peas, lupins, beans and chickpeas, saying that although sample levels (60) were low, she had been surprised by the number of contaminations (FUM at 28% being the highest) and the range of metabolites.

She urged the sector to look at the 3 areas of solutions to reduce mycotoxins – adsorption (synergistic blend of minerals), biotransformation, and bio protection products.

Why plant based alternatives are shaking up the dairy sector

JAN 26, 2023

<https://dairynews7x7.com/got-milk-why-plant-based-alternatives-are-shaking-up-the-dairy-sector/>



In recent years the refrigerated aisles across the UK's supermarkets have seen quite the shake-up. With sustainability at the forefront of many shoppers minds, we've seen the evolution of the vegan conscious consumer, which has come with it a flurry of plant-based milk alternatives.

Plant-based milk, which now includes variants made from coconut, soya, rice, oat and almond have firmly taken their position on grocer's shelves and in coffee shops.

However with prices rising across the dairy sector, supply chain challenges showing no signs of going away and of course the ongoing cost-of-living crisis, could this push shoppers towards testing out a dairy-free alternative?

Will plant-based milk take over or is dairy set to stay? Grocery Gazette investigates...

A growing popularity for plant-based

In 2020, one in three people were buying plant-based milk, with Brits spending £100 million on dairy-free alternatives, according to The Guardian and Ipsos data shows that 46% are considering reducing their intake of animal products in the future.

There is now a variety of options on the market and last year, with upmarket retailer Waitrose recently announcing it would be adding the latest alternative to 220 stores – potato milk.

Vegan-friendly brand DUG make the milk alternative from potato, pea protein and rapeseed oil. UK lead John Chater thinks the plant-based milk sector will continue to expand.

"We have all seen a continued trend for quite some time of people moving away from dairy into plant-based options," he says, adding that

the current challenges across the dairy industry, including price inflation, "will remain a factor in that ongoing switch to plant-based".

Chater says that dairy-free milk has grown in popularity among consumers for sustainable, ethical and financial reasons alike.

"The continued pressure we see on household incomes may slow some of the continued growth in plant-based, but it remains a fact the world faces some major challenges – we can individually make a difference through what we purchase."

Oatly UK and Ireland general manager, Bryan Carroll agreed, explaining that "sustainability is at the core" of the brand.

"At Oatly, we are on a mission to change that food system; its why we run the campaigns we do and include the carbon footprint of our products on our packaging."

He adds that Oatly looks to make the switch from dairy easier by working with farmers, retailers and everyone "right across the supply chain" in a bid to "help make the shift to a more efficient food system work for everybody".

Agriculture and Horticulture Development Board (AHDB) consumer insight manager, Susie Stannard points out that, while plant-based milk has been "a category in growth over recent years", it still remains "much smaller than the cow's milk market".

Marketing growth coach Danny Denhard believes that many dairy-free milk drinkers have switched due to intolerances, but in the near future, he sees more branching out for environmental reasons.

However, he says that while "growing the alternative market has been somewhat successful, we are very much still in the 'try' phase".

Denhard adds that rising dairy milk prices could encourage some to try plant-based alternatives, however "there is still a higher price difference

and many consumers won't break long-term habits based on small price increases".

Rising dairy prices and the effect on farmers

Last summer, many UK supermarkets increased milk prices, rising above the current level of inflation. Each of the Big 4 grocers (which included Morrisons at the time), hiked this by 10%, with two pints costing £1.15 in July 2022. Since then, the sector has continued to see cost increases and according to data from Kantar, liquid dairy milk prices rose by 35% year on year in the 12 weeks to 25 December 2022.

Stannard says that supermarket price hikes "have been in response to higher production costs. The spike in inflation for agricultural inputs and subsequent reduction in milk production on farms, meant the cost of milk had to increase significantly through the year in order to ensure continued production."

National Farmers' Union dairy advisor, Verity Richards adds that "dairy farmers are facing significant pressures from the rise in input costs," however, "dairy remains one of the most affordable protein options," highlighting the AHBSB's November 2022 report which states 95% of households continue to buy milk.

Stannard says that alternative milk products "have themselves been subject to price increases, although less steep than dairy at around 8%."

"The price gap has narrowed but only really with the private label versions and dairy milk is still 17% cheaper per litre on average."

She says that "if alternative prices were to become cheaper than cow's milk, this would be interesting, but it is likely that other factors such as superior taste and nutrition would come into play."

Stannard told Grocery Gazette that a surge in demand for plant-based milk "hasn't really been any impact on dairy farmers."

"Any losses in liquid milk volumes over recent years have been made up for with a growth in products such as cheese. Consumer response is

interesting as in recent months demand for plant-based milk definitely slowed and actually went into decline.

"Growth has returned in the last four weeks but it doesn't seem quite the growth engine that it once was."

Marketing milk alternatives

Earlier this month, reporting by The Daily Mail saw Defra revealing that proposals from trading standards officers were being considered which looked to ban dairy descriptor names on plant-based products.

As a result, brands including M.L.K.Ology, Wunda Plant Based Not Milk, Good Hemp – Oat + Hemp Milk, Mylk and Qurkee M'LK could be removed from supermarket shelves.

ProVeg UK director, Jimmy Pierson says the move is "hugely damaging," adding "it seems incomprehensible that the Government would impose such restrictive measures on a booming part of the UK economy.

"It sends out the wrong message about supporting British business and about tackling climate change. Plant-based diets emit half as much greenhouse gas as animal-based diets and should be actively encouraged by the government, not hindered."

However, Denhard says that in terms of distribution and availability, this will only have a "short-term impact on the sector."

"Many brands are going to have to create bigger campaigns and convince stockists to place them in different aisles under different category branding."

He adds that "marketing is going to be essential" in considering how to "fight back for longer-term success."

"Many brands will have to be proactive in building the category (or is in some cases a new category) and in trying to really land their missions." In terms of the wider marketing across plant-based brands, Denhard says that "the storytelling has been creative, strong and memorable" with one of the leaders in the category, Oatly

having been “smart” in targeting the barista within speciality coffee shops “as the hero,” which has enabled it to “build coffee around the brand, with the barista able to support the plant-based milk drive.”

Could plant-based come out on top?

While the category has seen growth in recent years, Denhard says he struggles to see that dairy will be overtaken by plant-based milk.

“We have at least two generations who have lived their whole lives with dairy milk. It’s a staple.”

He believes we are “at least a decade away from this change”, adding that in five years time he thinks “there will be some more market share taken by non-dairy milk, however not the

huge double-digit leaps many have been predicting.”

Carroll agrees that “transforming the food system will take time”, however he confirms that Oatly “is in it for the long haul.”

“Despite explosive growth in dairy alternatives, about half of plant-based drink users only entered the funnel two years ago, and the category still makes up just 6.5% of total dairy consumption. There’s enormous potential for growth ahead.”

With product ranges, availability and demand for plant-based milk expanding, small businesses with big ambitions in the sector, like DUG agree. When considering if plant-based milk could overtake dairy, Chater simply says “in a word, yes.”

End of Covid zero policy in China may lift the dairy prices in future

JAN 25, 2023

<https://dairynews7x7.com/end-of-covid-zero-policy-in-china-may-lift-the-dairy-prices-in-near-future/>



Dairy prices have started 2023 on a soft note, However, analysts are banking on China ending its Covid-zero policy to lift prices in the coming months.

Westpac’s senior agri economist Nathan Penny says the bank is sticking to its forecast milk price of \$8.75/kgMS for this season.

“Prices in late 2022 had been weaker than we had factored in,” he says.

“At the same time, the change in Chinese Covid policy has come sooner than we had anticipated. On balance, that leaves our forecast unchanged.”

Fonterra narrowed its forecast milk price range last year to \$8.50 – \$9.50/kgMS, with a mid-point of \$9/kgMS. ASB has been forecasting \$9.40/kgMS and is expected to review its forecast this month.

Penny notes that over the first two auctions of 2023, overall prices slipped 2.8%.

“However, we anticipate that this weakness will not last,” he says.

“Indeed, the abrupt end to China’s Covid-zero policy should see its economy rebound rapidly.

“For example, we expect the Chinese economy’s growth to double to 6% over calendar 2023, from around 3% growth over 2022.”

More importantly, Chinese consumers are now free to move about. That will lead to a rebound in demand, particularly for dairy products (such as butter) used in restaurants and other food service outlets, he says.

Notably, by the end of 2022, the share of New Zealand’s dairy exports going to China had dipped below that of the rest of Asia.

But as Chinese dairy demand rebounds, this trend should reverse.

Penny points out that the counter argument to this view is the rapid rise in Covid cases in China.

And on this basis, Chinese consumers could limit their movements in order to avoid infection.

“However, the anecdotes that we’ve seen to date suggest that Chinese consumers are by and large preferring to embrace their newly found newly found freedoms at the risk of contracting Covid,” he says.

“Moreover, international experience has shown that the Omicron variant moves so rapidly through the population that the associated Omicron wave passes quickly.

“In terms of timing, we expect dairy prices to begin to rebound over the next month or two. “The Lunar New Year and existing stock levels may muddy the waters in the short term, but beyond that we expect underlying Chinese demand to lift.

“With that in mind, from around late February or early March we should have a clearer indication of whether our view holds either way.”

A farmers’ dilemma has the govt worried in Uganda

JAN 24, 2023

<https://dairynews7x7.com/a-farmers-dilemma-has-the-govt-worried-in-uganda/>



Mr Stanley Ntungire is the last of a dying breed. Born and raised in a cattle-keeping orthodoxy that is the age-old tradition of the Hima people of Ankole, he saw his forbearers rear the animals as a principal economic activity. They were a treasured source of prestige in society in a way few things compare.

But Mr Ntungire has had to break from this tradition and explore other farming activities that, if his ancestors were to return, would find strange.

The 37-year-old, having encountered sustainability challenges in his family’s farming operation, is discarding old notions in a bid to adjust to new realities.

The farm, located in the Lwamwanja area of Kamwenge District, now barely boasts 40 heads of mainly hybrid cattle, a far cry from hundreds

of local Ankole breeds held by his father and grandfather before him. And for most planting seasons, Mr Ntungire actively engages in cultivation of maize and beans. That’s on top of a sizeable banana plantation he maintains.

“I do this to survive because it’s no longer possible to depend on cattle alone. In times of plenty when milk prices are low, the other products support me,” Mr Ntungire said in a January 11 interview, adding that farming now requires one to earn from various streams to be sustainable.

To this end, Mr Ntungire has even been warming up to the idea of introducing beef breeds of cattle in a bid to mitigate losses that ensue during flash seasons. For, unlike milk, beef does not suffer acute fluctuations in price.

Source of worry

This dynamic though, is becoming a source of worry for researchers, not least those at the National Agriculture Research Organisation’s (NARO) Mbarara Zonal Agricultural Research and Development Institute.

South-western Uganda, the main cattle corridor in the country, has seen an emerging trend of

dairy farmers looking to switch to beef cattle rearing, according to Mr Halid Kirunda, the zonal agency's director of research.

"Some people are erroneously starting to abandon dairy production in favour of beef production, which is really a little bit non-impressive because you are very much aware that for about 15 years, people have been investing in dairy production and so we would assume that at this time, they would be starting to get rewards of that investment," Mr Kirunda said in a telephone interview.

Milk yields have risen to an average of 9.6 litres per day from 5.2 litres a decade ago, Naro data shows. This compares with an ideal average target of 15 litres per day, even as cattle livestock numbers held on farms in the region have fallen from an average of 200 to 80 heads, the same data shows. About 70 percent of these

are cross and purebred, with Ankole the remainder.

On the back of improving yields, the region has attracted investments in milk processing plants by entities, including Pearl Dairy Farms Ltd of the Lato Milk brand and Dairy Corporation—part of Kenya's Brookside Dairies. A major exit by farmers from dairy and the resulting reduction in quantities could put such establishments at risk by straining already inadequate supplies, according to Mr Kirunda.

"Some people have also invested in processing plants and yet the performance or the production of those processing plants is still sub-optimal," Mr Kirunda said, adding, "So we would still be talking of increased milk production in order to sustain the capacity of processing in these plants. The level of processing in those plants is still suboptimal."

'Dairy-Based' Alternative Meats Could Become a Reality

JAN 24, 2023

<https://dairynews7x7.com/dairy-based-alternative-meats-could-become-a-reality/>



While plant-based alternative meats have earned a spot on grocery store shelves, they haven't won over consumers' hearts just yet.

According to Purdue economist Jayson Lusk, high price points and inflation have caused markets to plummet, with sales down 20% from November 2021 to November 2022. "Some of what drove the growth initially was the variety/novelty factor," Lusk says. "It was

something new." Now the novelty of plant-based may be wearing off.

Enter in "dairy-based" alternative meats.

A New Kind of Alternative Meat

Top Protein, a startup protein technology company based out of Orlando, Fla., has been developing this new category of alternative meat for the past four years. The company utilizes fermentation-based technology to create an aligned fibrous protein out of...wait for it...milk. According to Top Protein, this protein structure can mimic both the texture and physical attributes of any meat, including beef, pork, chicken and seafood. The dairy-based meat portfolio includes whole cuts of alternative meats along with shredded red and white meat products. The company also prides itself as being a zero-waste facility. Currently, all byproduct liquid is upcycled into energy drinks. Those drinks are

then served at their Fresh Craft Energy Drink Bar or bottled for retail sales.

With a growing global population, Top Protein is hoping to shake up the alternative meat sector

by providing an “economically mindful” protein product when compared to plant-based alternative meats.

Saudi dairy Almarai’s net profit increases to \$453m in 22

JAN 22, 2023

<https://dairynews7x7.com/saudi-dairy-giant-almarais-net-profit-increases-12-5-to-453m-in-2022/>



Saudi dairy giant, Almarai, recorded a 12.5 percent increase in net profit to SR1.7 billion (\$453 million) in 2022, compared to SR1.5 billion recorded the previous year, driven by bakery and dairy segments.

The Tadawul-listed firm saw its revenue rise by 18 percent to hit SR18.7 billion in 2022 from SR15.8 billion in 2021. The company’s revenue increase was mainly driven by its bakery segment, which was boosted by school opening and single serve, as well as its expansion in poultry and long-life dairy products.

The profit of Almarai’s bakery category increased by SR116.1 million as strong top-line growth, driven by back-to-school and improved single-serve sales, resulted in better utilization of existing facilities, driving higher profits for the category via leveraging economies of scale.

The company’s poultry volume growth remained buoyant due to additional capacity available in the year’s second half, which resulted in 10 percent additional bird capacity.

The increase in capacity led to reported net income profitability at 9.9 percent of revenue, compared to 9.3 percent the year before.

Almarai added that its improvements in long-life dairy were offset by higher feed costs, more expensive dairy commodities, and higher transportation expenses, as the category reported an annual profit increase of SR 31.2 million.

Other categories reported a profit of SR 9.4 million driven by overseas farming’s robust performance, compared to a loss of SR44.1 million in the same period last year.

The company said that its net profit growth was in line with operating profit growth, as higher funding costs, driven by an increase in the Saudi Arabian Interbank Offered Rate, were offset by a one-off gain from Zakat and tax adjustment amounting to SR32 million.

Meanwhile, the company’s total shareholders’ equity in 2022 increased by 3.4 percent compared to the year before, reaching SR16.6 billion with a profit per share at SR1.79.

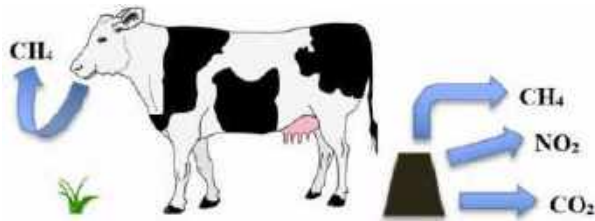
Almarai recorded a decrease of 23 percent in net profit in the fourth quarter of 2022, compared to the third quarter of 2022, but witnessed an increase in quarterly revenue by 1.47 percent.

Founded in 1977, Almarai is a Saudi multinational dairy company specializing in food and beverage manufacturing and distribution, with its main offices in Riyadh, Saudi Arabia.

Complexity of Measuring and reducing emissions in dairy industry

JAN 22, 2023

<https://dairynews7x7.com/complexity-of-measuring-and-reducing-emissions-in-dairy-industry/>



Despite differences in farming systems, the carbon footprint of dairy products is similar among the major exporting regions, and most greenhouse gas (GHG) emissions originate on the farm in the form of methane, according to a new report from Rabobank, outlining some of the reduction strategies available, including those left untapped.

ON-FARM EMISSIONS

At the farm level, combined methane emissions from enteric fermentation and manure account for approximately 75% to 85% of direct on-farm emissions. The remainder is largely made up of nitrous oxide, primarily related to soil management and manure storage and application. “This suggests that the feasibility of successfully implementing mitigation measures in large exporting regions is comparable, despite differences in environment, climate, and agricultural practices.” said Richard Scheper, a dairy industry analyst at Rabobank.

However, for dairy processing companies, this means that the majority of their emissions are in scope 3 and beyond their direct control. As such, measuring and reducing these emissions can be difficult, given the complexity and number of players in the value chain, he noted.

SCOPE 1, 2 AND 3 EMISSIONS

As reported by the GHG Protocol, scope 1 emissions are direct emissions from owned or controlled sources; Scope 2 emissions are indirect emissions from purchased power generation; and Scope 3 emissions are all other indirect emissions that occur in the reporting company’s value chain.

In the case of a dairy processor, scope 1 emissions would come from processing raw milk in its processing plants. Scope 2 emissions would come from energy purchased for processing. Upstream scope 3 emissions would include scope 1 emissions from the dairy farms where the milk was purchased (methane emissions on the cow farm) and downstream scope 3 emissions would result from, for example, transportation and the disposal of waste from dairy products. .

MULTIPLE LAYERS OF COMPLEXITY

However, the difficulties are not limited to measuring and reporting scope 3 emissions in the dairy value chain. Reduction targets vary in alignment, ambition, and scope. In practice, this means that stakeholders along the value chain are exposed to different targets, according to the report.

“This situation creates multiple layers of complexity. Dairy companies want to set targets as they are coming under pressure from buyers to reduce their emissions, but the lack of alignment between national government and industry standards increases complexity, which in turn could hinder the rate of progress . In the absence of a common national guide, many people Business have set their own requirements and objectives“.

GHG REDUCTION MEASURES

The review identifies GHG reduction measures that are being introduced, some of which are in late stages of development or are currently being used in the dairy sector:

INCREASED EFFICIENCY AND PRODUCTIVITY

Efficiency gains have been a major factor in reducing on-farm emissions, according to Rabobank.

“Historic efficiency gains have been achieved through a combination of improvements in genetics, feed efficiency and nutrition, agricultural

practices and animal welfare, contributing to higher milk yields and lifetime production per cow and lower replacement rates. In the Netherlands, for example, this contributed to a 35% decrease in carbon intensity per kilogram of milk between 1990 and 2019.

“As time and knowledge advance, these gains and efficiency improvements will also contribute to future reductions in GHG emissions intensity, but to sustain this progress, a significant amount of on-farm management skills is required.”

FOOD ADDITIVES

In addition, food has been highlighted as a relevant source with considerable reduction potential. This ranges from reducing losses in the field and on the farm, to improving and maintaining the quality of feed when it is grown and stored, to changing feed rations for dairy cows.

CASE STUDY: BOVAER

Much of the research has focused on the use of feed additives and their ability to reduce methane emissions in cows, analysts said. In recent years, several of these feed additives have entered the market or have reached later stages of development.

“Bovaer (3-nitrooxypropanol) is a synthetic feed additive produced by the Dutch company DSM that suppresses enzymes in the cow’s rumen so that less methane is generated, which could reduce methane emissions from enteric fermentation in cows. milkmaids by 30% without affecting milk productivity. pilot based.

“Bovaer has been investigated in more than 50 peer-reviewed scientific studies and is already licensed and available for use in more than 40 countries, including EU member states, Brazil, and Australia. The reduction potential varies according to the culture system. [Its potential in more intensive, controlled, and (seasonal) indoor farming systems appears to be somewhat higher].”

In practice, the use of such products will increase operating expenses at the farm level, Rabobank said. Although he hopes that these types of inhibitor additives will be incorporated into compound feed in many countries.

SEAWEED

Seaweed (*Asparagopsis taxiformis*) has potential shown to reduce methane emissions by up to 90%, according to the review.

However, scaling up aquaculture to produce seaweed commercially can be challenging, and the long-term effects on cows are still unknown, the Rabobank team said.

GENETICS

Advances related to genetics have contributed indirectly to reducing emissions on farms through efficiency gains, but also show potential as a lever to reduce emissions more directly by raising cattle based on breeding values for low methane emissions. .

“The indicators show that significant variations in enteric methane emissions are likely to exist between breeds and individual cows of similar breed within the same herd.

“Through the exploitation of natural genetic variation in dairy cows for methane emission traits, breeding plans could offer a cost-effective emission mitigation opportunity. However, research is ongoing and further analyzes background the interaction between breeding goals for environmental traits and breeding goals for economically important traits, such as fertility and productivity.”

MANURE MANAGEMENT

Another mitigation opportunity is through manure management (storage and application) and the adoption of anaerobic digesters, which can reduce manure emissions, the authors said. “Digesters are used to prevent gases from escaping from manure lagoons and reaching the atmosphere, so that they can instead be used for different purposes, such as fuel or renewable electricity. However, such facilities in an agricultural setting are capital intensive and are

generally complex systems to operate, making their feasibility challenging for farmers.

“Possibly, numerous measures related to manure management and storage are more (cost) effective in large-scale and confined farming systems.”

While levers such as efficiency and productivity gains, manure management, and feed additives offer strong mitigation opportunities in theory, they vary in technical abatement potential, as well as in the rate of adoption and current commercialization, which can make it difficult to predict its overall reduction. potential in the coming years, the team warned.

“Probably the biggest obstacle to reducing on-farm dairy emissions is not the technical potential but rather the feasibility of adopting mitigation practices. Some mitigation levers require little or no investment. Conversely, others have great potential for theoretical reduction, but also require large upfront capital expenditure or

increase operating expenses, which restricts the rate of adoption.”

OBSTACLE REMOVAL

According to the report, steps should be taken to increase the momentum for emission reductions in the dairy industry:

Alignment between government and industry goals is required to overcome layers of complexity, but at the same time, the dairy industry must fully endorse the need to accelerate GHG emission reductions. “By raising ambitions and targets, the industry has already taken the first steps in this direction”, Schper said.

However, to gain momentum in on-farm mitigation lever adoption rates, farmers must also be incentivized by the industry, through options such as carbon tokens or premiums, in addition to the price of milk. “If mitigation does not gain momentum, the dairy industry could face the risk of government-imposed mitigation regulations that could be capital intensive or even include herd reduction,”, the analyst concluded.

Changing the narrative about the power of dairy protein

JAN 21, 2023

<https://dairynews7x7.com/changing-the-narrative-about-the-power-of-dairy-protein/>



Muscle-building” cookies, “refueling” smoothies and “satiating” breakfast foods often rely on protein to make such marketing claims — but not just any protein. Many food formulations are fueled by dairy proteins, namely whey, in one of its many formats.

The choice of protein is an important marketing tool of the product’s “power.” Unfortunately,

marketers are limited in how they may communicate this because regulators have put the topic of protein quality and availability on the backburner. Some argue it’s time to bring it back into the conversation.

“As headlines proliferate around the need to supply protein to an ever-growing global population, the common argument has emerged that people around the world are already consuming more than they need,” said Paul Moughan, distinguished professor at Massey University and a fellow laureate of the Riddet Institute, Fitzherbert Palmerston North, New Zealand. “While this may indeed be true in terms of total protein, it is unfortunately not the case when it comes to their intake of available protein.

“A child in India, for example, may be consuming a diet that is heavily based on cereals and root crops. The child may be getting plenty of protein but could still be heavily deficient in available protein and key amino acids. This deficiency can lead to stunted growth during childhood and result in them never fulfilling their true potential.”

Currently the Protein Digestibility Corrected Amino Acid Score (PDCAAS) is used to assess the quality of all protein. The score is an adjustment for the quality of the protein. It is based on the types and amounts of amino acids in the food as well as the overall digestibility. The PDCAAS values range from 0.0 to 1.0, where values are truncated to a maximum score of 1.00, which cow’s milk, casein, whey, eggs and soy protein all possess. Most plant protein sources have much lower values.

Dr. Moughan, and other protein authorities, believe Digestible Indispensable Amino Acid Score (DIAAS) is a better reference point. The DIAAS analysis enables the differentiation of protein sources by their ability to supply amino acids for use by the human body. It also demonstrates the higher bioavailability of dairy proteins when compared to plant-based protein sources.

“I think DIAAS is a method that provides a measure of protein quality that reflects the true digestibility of a protein,” said Kimberlee Burrington, vice president of technical development, American Dairy Products Institute, Elmhurst, Ill. “I think it could boost dairy’s reputation as a high-quality protein, but to be truthful, we haven’t done the best job communicating that even with the high PDCAAS values for dairy protein.

“Consumer research shows most consumers aren’t aware of, or aren’t able to distinguish, that proteins have differences in protein quality. We use the Nutrition Facts panel to communicate the grams per serving of protein, but the only way to show a difference in protein quality is by using the % Daily Value.”

The % Daily Value for protein is determined using PDCAAS. A yogurt containing 10 grams of milk protein may make an “excellent source of protein” claim. A cultured vegan product with 10 grams of protein from peas and nuts most likely only qualifies for a “good source of protein” claim, and when doing so, should not flag 10 grams of protein per serving, as it is misleading. When making or implying any protein content claim, the Food and Drug Administration requires the inclusion of the % Daily Value.

“Most products that don’t claim anything about the level of protein on the product will not show anything in the % Daily Value column,” Ms. Burrington said.

If DIAAS were put into place, products containing whey proteins would be able to better communicate their value. Unfortunately, it’s been 10 years since a report from the Expert Consultation of the Food and Agriculture Organization of United Nations (FAO) recommended using DIAAS, yet it has not been implemented.

Data in the FAO report showed whole milk powder to have a DIAAS score of 1.22, far superior to the DIAAS score of 0.64 for peas and 0.40 for wheat. When compared to the highest refined soy isolate, dairy protein DIAAS scores were 10% to 30% higher.

Dairy proteins have a high DIAAS score because of the presence of branched-chain amino acids, which help stimulate muscle protein synthesis. Each dairy protein has more branched-chain amino acids than egg, meat, soy and wheat proteins. Whey protein, specifically, is seen as higher quality because of the presence of leucine, a branched-chain amino acid accountable for muscle synthesis.

“We strongly support adaptation of DIAAS for measuring protein quality,” said Peggy Ponce, director of product innovation for Agropur, which has US offices in Minneapolis. “Foods and beverages are being marketed by highlighting the ‘grams of protein’ without a meaningful comparison of the protein quality. Once DIAAS

is widely accepted, product developers can discern the nutritional value of proteins in formulations, which will lead to better consumer choices of protein-fortified foods and beverages. Consumer education will be a critical part of making sure they understand the high nutritional quality of proteins from milk and whey.” What’s holding up the implementation of DIAAS? While there are some in the plant-based community who oppose DIAAS, one of the most significant holdups is the development and implementation of a protein database.

The Riddet Institute led a research program to address the supply of protein for human diets. The program is funded by a consortium of commercial food organizations through the Global Dairy Platform.

The first stage has been completed. This stage was a collaboration between the Riddet Insti-

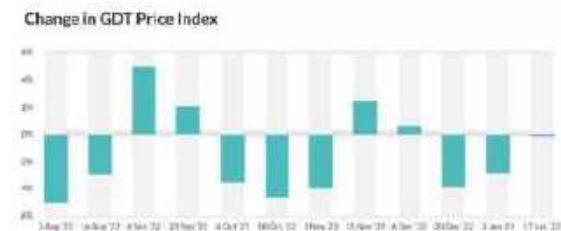
tute, Wageningen University in The Netherlands, the University of Illinois Urbana – Champaign and AgroParisTech in France. The researchers developed, standardized and validated methods based on the growing population to determine the digestibility of amino acids for human foods. The methods were applied in different laboratories in different parts of the world and achieved consistent results, Dr. Moughan said.

They now are working with Wageningen University and the University of Illinois to examine the digestibility of numerous protein sources in a form consumed by humans using DIAAS. An openly available global database of protein quality will be constructed, including 100 different protein sources. The protein sources will be from a large range of different protein types, including protein sources commonly consumed in developing countries.

Dairy prices edge up, volumes ease at auction – GDT events

JAN 20, 2023

<https://dairynews7x7.com/dairy-prices-edge-up-volumes-ease-at-auction-gdt-events/>



International milk prices edged up but volumes fell in this month’s second Global Dairy Trade (GDT) auction on Tuesday. The GDT Price Index was down 0.1%, with an average selling price of \$3,393 per tonne. The index lost 2.8% at the previous auction held on Jan. 3, the average selling prices being \$3,365 per tonne, according to GDT Events. A total of 31,872 tonnes of dairy products were sold at the latest auction, down about 4.8%

from the previous sale, the auction platform said on its website.

The auction results could affect the New Zealand dollar as the dairy sector generates more than 7% of the nation’s gross domestic product. The New Zealand milk co-operative, which is owned by about 10,500 farmers, controls nearly a third of the world dairy trade.

GDT Events is owned by New Zealand’s Fonterra Co-operative Group Ltd, but operates independently from the dairy giant.

U.S.-listed CRA International Inc is the trading manager for the Global Dairy Trade auction, held twice a month, with the next one scheduled for Feb. 7, 2023. (Reporting by Seher Daren in Bengaluru, Editing by William Maclean)

Key Results

AMF index down 0.9%, average price

US\$5,337/MT

Butter index down 0.6%, average price

US\$4,449/MT

Ched index up 4.0%, average price

US\$4,871/MT

SMP index down 0.3%, average price

US\$2,842/MT

WMP index up 0.1%, average price

US\$3,218/MT

Danone Vows to Cut Methane Emissions From Milk by 30%

JAN 20, 2023

<https://dairynews7x7.com/danone-vows-to-cut-methane-emissions-from-milk-by-30/>



Danone aims to cut methane emissions from its fresh milk supply chain by almost one-third over the next seven years, becoming the first major food company to set targets in line with a pledge by 150 countries to reduce emissions of the greenhouse gas from cows' burps.

The Activia maker said steps including better management of dairy herds, manure and feed additives will help it meet the Global Methane Pledge — a collective commitment to cut emissions of the greenhouse gas 30% by 2030. It was launched at COP26 in 2021 and has since been signed by 150 countries.

Methane is a super-potent greenhouse gas. Ton for ton its impact is 80 times that of carbon dioxide in the short term. That means cutting methane emissions is one of the fastest ways to tackle climate change, with reduction in methane emissions delivering a quicker reduction to the rate at which the planet is heating.

However, reducing methane emissions from the agricultural sector is much harder than tackling it in the oil and gas sector. The UN Environment

Programme estimates agriculture and livestock represents around 40% of human-caused methane emissions. Danone says dairy accounts for about 8% of human-cause methane emissions.

The sources of methane in the dairy industry are much more distributed among smallholdings and farmers who typically don't have the resources to address these emissions.

Danone, which makes dairy products like yogurt and kefir, will focus on three ways to reduce methane starting with ensuring farmers take better care of cows, said Chris Adamo, vice president of regenerative agriculture policy at Danone. A well-managed and healthy herd can result in lower emissions per liter of milk and improve farmers' livelihoods through better efficiency, he said.

The French dairy group wants to manage manure better too and has projects in Belgium, Spain and the US where waste is converted into renewable biogas to stop it fermenting and emitting more methane.

Altering cow feed so that it leads to less burping can also reduce emissions. Danone helped in a pilot study in Belgium of a food additive called Bovaer, created by Royal DSM, finding it could reduce methane emissions by 18%. Danone's venture arm has also invested in Symbrobia, a company that is looking into seaweed

as a food additive to reduce methane emissions.

Milk's Future

Danone expects to remove 1.2 million tons carbon dioxide equivalent of methane emissions by 2030 compared to 2020. The French group said it's already reduced its methane emissions by around 14% between 2018 and 2020.

With so many small-scale dairy farmers, measuring emissions across an entire supply chain is challenging. Yet failing to meet methane reduction goals is a massive threat to the dairy industry, especially as plant-based dairy substitutes are rising in popularity, and regulatory oversight is increasing.

New Zealand, the largest dairy exporter, will begin taxing agricultural emissions by 2025. Irish farmers are expected to cut emissions by a quarter before 2030. Denmark wants its farming and forestry sectors to cut emissions as much as 65%. Danone declined to say whether it will cut the milk it uses to reach the target. Adamo said the pledge is about making sure cow's milk has a future.

"It's an incredibly important nutrient dense option that's accessible for a lot of people at a reasonable price point. And so this is about us helping preserve that option into the future," Adamo said.

Introducing

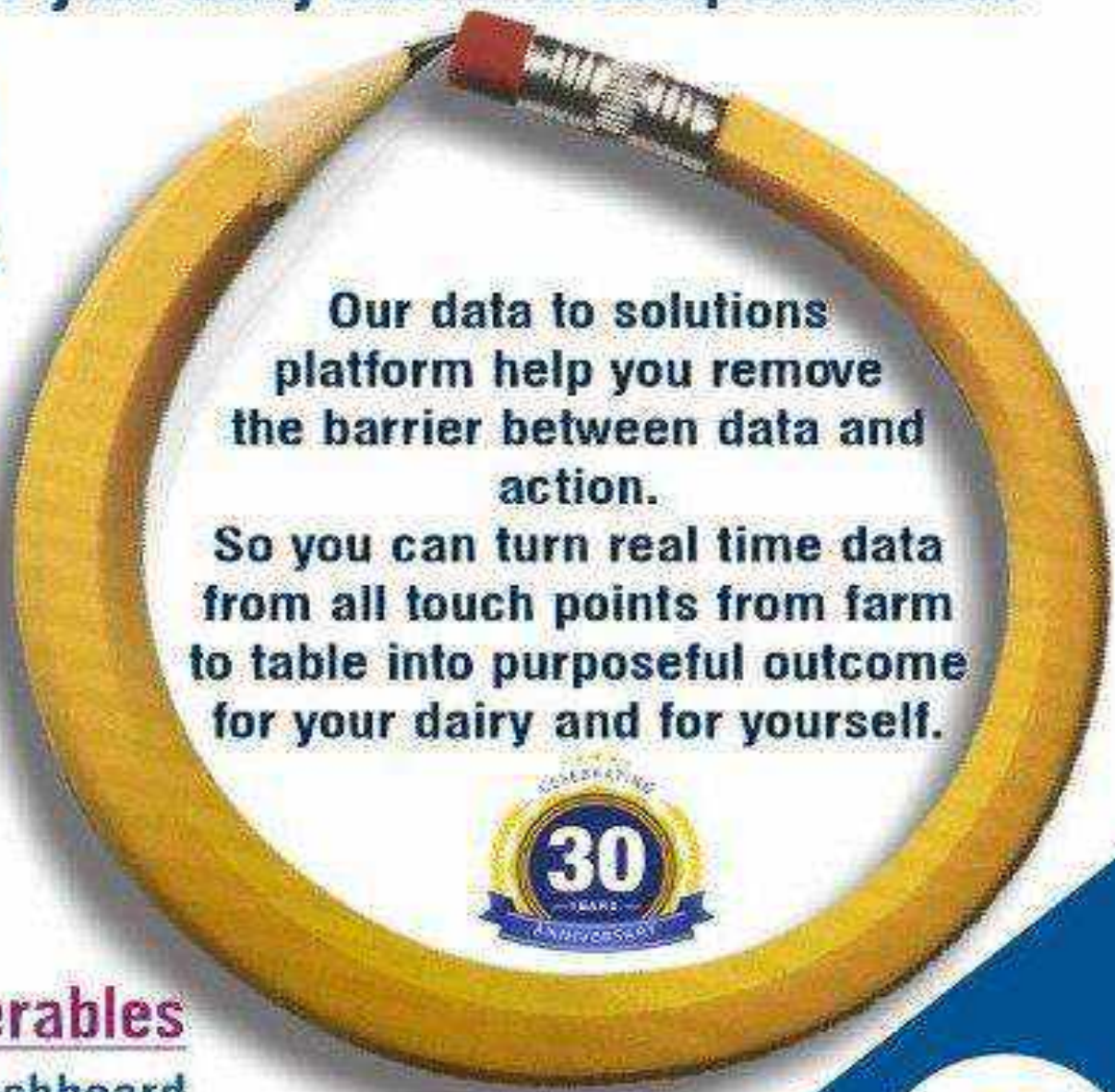
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