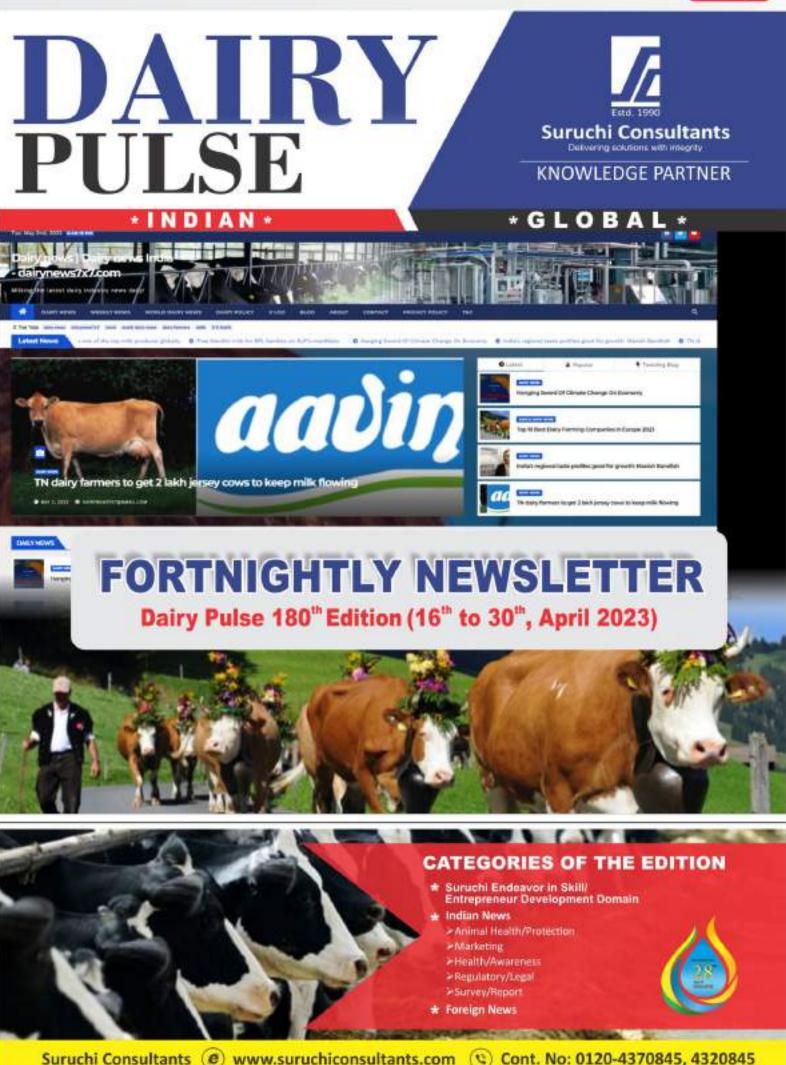
# An Update on Dairy Activites









+91-78274 05029, 0120-4320845 / editor@dairynews7x7.com



We promise latest coverage to all stakeholders News, Blogs, Insights, Policies, Latest Price

# **SUBSCRIBE NOW**



Say no to Newspaper (



YouTube: Dairy News 7x7 Channel

Website: Dairynews7x7.com

Fortnight Newsletter Dairy Pulse

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

Address: Suruchi House, C-49, Sector-65, Noida U.P. (201307), Url: www.dairynews7x7.com E-mail: editor@dairynews7x7.com, Contact: +91 78274 05029, 120-4370845, 4320845









SAFE LABS

sofe 🕼

labs

# (an initiative of Suruchi Consultants)

# HAS BEEN GRANTED NABL ACCREDITATION WITH ISO/IEC 17025:2017 IN THE FIELD OF TESTING OF MILK & MILK PRODUCTS ON 29.01.2020.

Team SAFE LABS would like to thank you for your continuous motivation and guidance. We seek your patronage for fulfilling our common dreams for providing Safe Milk to everyone in India by 2025.

> Contact Us : C-49, Sector-65, Noida, Uttar Pradesh, 201307 Ph.: +91 120-4370845, 4320845 E-mail: safelabs@suruchiconsultants.com www.suruchiconsultants.com

> > Kuldeep Sharma a Friend, Philosopher and Guide to over 2000 Dairy aspirants since 1990





# NABL ACCREDITED TESTING LAB FOR MILK & MILK PRODUCTS



# TESTING SERVICES

- A. Satatutory
- **B.** Adulterants
- **C.** Contaminants
- **D.** Microbial

# NEW PRODUCT DEVELOPMENT

- A. Health & Nutrition
- **B. Indulgence**
- C. Convenience



onsume Mindset

ptimization

nowledge

# **CONSUMER INSIGHTS**

- **A. Focus GroupDiscussions**
- **B.** Organoleptic Evaluation
- C. Competitor Benchmarking

Safe Labs conducts testing of Milk & Milk Products as per FSSAI & IS requirements in the field of Chemical, Microbial & Contaminants.



NABL Accreditaion:



# Dairy Pulse 180<sup>th</sup> Edition (16<sup>th</sup> to 30<sup>th</sup> April, 2023)

C	ontent	
In	dian News	8
	State sponsored subsidies for dairy farmers is like a cancer	8
	9 Killed In Ludhiana Gas Leak, Victims' Kin Narrate Horror	9
	Amul identifies land in Telangana to set up 5 Lakh LPD milk plant	. 10
	India's dairy farmers should shift to ethno-veterinary medicines	.11
	Amul Dairy directors were not part of New Zealand delegation	. 19
	Shah asks NDDB to make India "Dairy to the World"	. 20
	Fact check on nutrition of health drinks like Bournvita and Horlicks	.21
	DAHD Organizes 2000 Camps Across Aspirational Districts	.25
	Plant milk is catching up in India: Dairies are 'concerned'	.26
	How sugar turned bitter for Bournvita	. 30
	Paneer costs much more than poultry; here's why	.31
	How Amul Went On To Become The Largest Dairy In The Country	. 32
	Stability In Milk Prices Only By Oct-Nov 23: R S Sodhi	. 33
	Nestle India posts 25% jump in Q1 profit	. 35
	Ice creams fly off shelves as cruel summer beats down	.36
	World's largest producer of milk hits a dry patch	. 37
	Dairy Has A Special Role In Making Women Self-Reliant: Murmu	. 38
	Buying Amul not against Karnataka': FM Nirmala Sitharaman	.40
	Sudha milk to get dearer by Rs 3 per litre from April 24 in Bihar	.41
	Village in Madhya Pradesh gives out dairy products free	.41
	If Amul make Mysore pak then we will make Shrikhand	.43
	K Rathnam: The Expansion Of Dairy Industry In Nutraceuticals	.44
	Government wants you to ditch oil for ghee	.45
	Milma vs Nandini: Consumers must benefit in dairy war	.46
	Amul Vs Nandini: Don't let politics stoke market sub-nationalism	.47
	Kerala CM launches 'Repositioning Milma 2023' initiative	.48
	IB Group appoints RS Sodhi President IDA as Independent Director	. 50
	Govt to merge two large dairy schemes to aid private sector	.51

	A big fat problem in milk: What's driving up prices?	52
	WPI Inflation Eases To 29-Month Low Of 1.34% In March	54
	Sanjaya Baru   Amul and dairy co-ops: Milch cows get political	55
	Focus on livestock sector for income growth	57
	Govt to merge two large dairy schemes to aid private sector	59
	Himachal govt to launch Rs 500-crore Him Ganga scheme	60
	Madhya Pradesh: Food safety officials seize four quintals of adulterated milk cake	61
	Shall the government control milk prices in current times ?	61
	India needs to be export competitive to capture overseas market for surplus milk: Niti Aayog mem	
	India must open up for imports to capture foreign dairy market	64
	Why the Amul-Nandini Controversy Is Important	65
	Dairy sector still under pandemic shadow, in dire need of revival push	67
G	ilobal News	69
	Four large supermarkets cut price of milk for first time	69
	Remilk Is the First Precision Fermentation Dairy Approval In Israel	70
	Tetra Pak with Disney and Marvel to revitalise its dairy drinks	72
	Danone invests in animal-free dairy startup Imagindairy	73
	Allegation-Indian dairy delegate grabbed Kiwi woman	75
	Redefining Dairy and Alternatives Through Innovation	76
	Feed experiment aims to reduce impact of dairy cow burps	78
	A Fresh History of Lactose Intolerance	79
	French dairy group Lactalis says profit falls as costs rise	83
	Soaring price of milk tells us about Britain's greedflation problem	83
	Nepal's dairy sector flags severe milk shortage	85
	GDT bounce, but gains seen fragile on weak fundamentals	86
	Dairy prices rose, volumes fell at auction – GDT Surprises	87
	Dairy suffering pain due to inflation	88
	Mandatory plant-based milk in schools? Here's why a Louisiana congressman is proposing it	89

# **Indian News**

State sponsored subsidies for dairy farmers is like a cancer MAY 30, 2023

https://dairynews7x7.com/state-sponsored-subsidies-for-dairy-farmers-is-like-a-cancer-captains-of-dairy-industry/



t a time when India collectively opposed the dumping of subsidised dairy products from overseas, there is also a big threat to the dairy trade from within through the State-sponsored subsidies. A few States have subsidies for dairy farmers which experts feel is a cancer that weakens the dairy trade from the core, making it inefficient.

The captains of Indian dairy industry with one voice denounced the use of subsidy by the States to distort the market and choke the sector, at a panel discussion on the topic of 'Making Indian Dairy Industry Competitive,' held the Food Conclave 2023 at Hyderabad on Saturday.

"As the representative of Indian milk producers, we always oppose zero-duty imports of dairy products from foreign countries. They want to dump their subsidised products to India at lower prices and as a result our farmers would go out of the dairy market because it would not be viable. Same is true when subsidised dairy products of one State are dumped into other States. Ultimately, it is impacting the growth of the Indian dairy sector," said RS Sodhi, President of Indian Dairy Association. A few States including Karnataka and Rajasthan are providing subsidy support to dairy producers for each litre of milk produced. This is believed to keep milk prices artificially low thereby impacting the overall market. "These States start controlling the end-product prices also, which reflects on the overall market across India. Therefore, the way we oppose the dumping of subsidised milk products from other countries, we also have to oppose the dumping of subsidised milk products in the other State," Sodhi said.

choing similar sentiment, RG Chandramogan, Chairman of Hatsun Agro — a leading private dairy brand — said, "Most of the subsidy amount goes to consumers and not farmers. We believe that the States that provide subsidies are not investing even 10 per cent of the subsidy amount into infrastructure development for dairy. On the other hand, the private sector is also hit due to drop in prices. Now from where is the investment for the future going to take place?"

According to Sodhi, these States pay subsidies worth ₹5,000 crore every year, which would work out to ₹50,000 crore in a decade. "If these

funds were invested for infrastructure development, it would get far bigger benefits. This is to strengthen our farmers to stand on their feet," he said.

"Milk subsidy is causing a lot of trouble to growth in this sector. We have a lot of scope for consumption growth within India to grow production. But the subsidy support is like a big cancer. This way they are covering up the inefficiencies," said BVK Reddy, Chief Executive Officer, Dodla Dairy.

CP Charles, ex-President of Shakti Dairy commented, "By accepting the subsidy, you lose your freedom. Secondly, you become inefficient in the market. Eventually, the subsidy will make the entire trade inefficient. Private players are able to compete even though their selling cost is high. This means they are competitive. Co-operatives are getting subsidies and becoming less efficient."

Moderated by Subramani MR, Head of Commodities and Agri-business, businessline, the panel session also covered aspects of making Indian dairy globally competitive with quality products and addressing the issues of animal health and feed. The dairy leaders also underlined the policy guidelines and government support required for sustainability and growth of the dairy sector.

Sodhi highlighted the need of providing dairy sector benefits like agriculture. "Why not include dairy in the definition of agriculture? Dairy doesn't get agriculture-like benefits when it comes to income tax, interest subvention, concessions or even transportation by railways. Neither the dairy is considered as agriculture nor it has an industry status. Dairy sector is an orphan," he said.

# 9 Killed In Ludhiana Gas Leak, Victims' Kin Narrate Horror

APR 30, 2023

https://dairynews7x7.com/dead-bodies-turned-blue-9-killed-in-ludhiana-gas-leak-victims-kin-narrate-horror/



In a tragic incident, at least nine people died and eleven people were hospitalised after a gas leak incident at a factory in the Giaspura area of Ludhiana in Punjab on Sunday morning. The affected area was cordoned off. A team of National Disaster Response Force (NDRF) was rushed to the spot, and doctors, ambulances, and a fire brigade team are also present at the location. Punjab CM Bhagwant Mann expressed grief over the incident of gas leak in Ludhiana. He said that the police, administration and NDRF teams are currently present at the location of the incident, and all possible assistance is being provided to those affected.

He tweeted, "The incident of gas leak in the factory in Giaspura area of Ludhiana is very sad..Police, government and NDRF teams are present at the spot..All possible help is being provided."

Victim's Kin Narrate Horror

Locals narrated their ordeal as Giaspura area, where the incident occurred, gets vacated by the administration. "...I came to know that five members of my family are unconscious," said a local. "This was a poisonous gas leak...At least eight people have died. Three of the bodies have turned blue...It is poisonous. You won't be able to breathe..," said a local, Anjan Kumar. Some members of his family died in the gas leak. Ludhiana Gas Leak: 9 Killed

The fire officials informed that they received the call at around 7.15am about the gas leak and sudden deaths. They rushed to the spot but people were lying unconscious on roadside.

Swati, the Sub-Divisional Magistrate of Ludhiana West, confirmed that the incident is indeed a case of gas leak. She added that immediate priority is to evacuate the area, which is densely populated. She further said that the incident has resulted in the unfortunate death of nine people, while eleven others have fallen ill.

"Definitely, it is a gas leak case. The National Disaster Response Force (NDRF) team is present at the spot to evacuate the people and will conduct the rescue operation. 9 people died in this incident and 11 are sick," Swati Tiwana, Sub Divisional Magistrate, Ludhiana, told ANI.

As per the preliminary information shared by the local media, the Goyal Milk Plant, a dairy product manufacturing facility, has encountered a gas leak caused by its cooling system. As a consequence, nearby residents have apparently lost consciousness within their houses, and it is presently deemed hazardous for individuals to enter the affected zone.

People within a 300-meter range of the gas leakage are finding it hard to breathe, resulting in the evacuation of the area. Police and civil administration personnel are present at the location to offer aid and support. Social organisations' ambulances have also reached the site to help relocate the affected individuals.

## Amul identifies land in Telangana to set up 5 Lakh LPD milk plant

## APR 30, 2023

https://dairynews7x7.com/amul-identifies-land-in-telangana-to-set-up-milk-processing-plant-with-a-capacity-of-5llpd/



he Gujarat Cooperative Milk Marketing Federation Ltd (GCMMF), the marketer of Amul on Saturday said it has identified land at Vargal near Hyderabad to set up a milk processing plant with a capacity of 5 lakh litres per day (LLPD).

The upcoming plant will be done through one of the 18 GCMMF member dairy unions, Sabarkantha District Cooperative Milk Union (Sabar Dairy). "Very soon we are going to set up a 5-lakh litres dairy plant at Vargal about 50 km from Hyderabad. A 25-acre land is identified at the new industrial processing zone that has fantastic infrastructure. This state-of-the-art plant will process milk, ice cream, and other value-added products," said Jayen Mehta, Managing Director, GCMMF said during a panel discussion on Making Indian Dairy Industry Competitive at the Food Conclave 2023 at Hyderabad Saturday.

The procurement of milk will take place from the dairy producers of Telangana State. businessline had earlier reported that the proposed Amul plant will have an initial capacity of five lakh litres a day and would be located in a special food processing zone in the State.

In December 2021, Sabar Dairy signed an agreement with the Telangana government to set up the facility with an estimated investment of ₹500 crore. The plant which will employ about 500 people, would also manufacture value-added dairy products such as curd, buttermilk, lassi, yo-ghurt, paneer, and sweets.

The session also had discussions on government support for competitiveness for the dairy industry as well as product innovation and diversification to suit the regional taste of consumers.

Speaking at the session, Manish Bandish, Managing Director, Mother Dairy stated that innovation through localisation has been gaining importance to keep organised dairy players relevant and appealing in regional markets.

"India is a diverse country with different eating habits every few kilometers. The taste changes accordingly. So, what is important is to develop a taste profile (of the product) which will suit the local consumption," said Bandish adding that Mother Dairy has successfully implemented it in its Mishti Doi product which has strong appeal amongst the consumers having Bengali taste profile.

Amul's Jayen Mehta underlined the importance and practical feasibility of the concept of 'Onedistrict One-product' in the dairy space. In its operational area of Gujarat, Amul has tried dairy products with local-connect such as milk from indigenous Gir Cow or Mehsani Buffalo.

Mehta said, "Our different breeds are the key differentiator in our products. These all varieties have the potential to become brands in themselves. These are the products that command certain values in the minds of consumers. This is where we can add value by going region-specific and once the farmer realises that he gets a better price for that, they start turning to it."

# India's dairy farmers should shift to ethno-veterinary medicines

APR 29, 2023

https://dairynews7x7.com/indias-dairy-farmers-should-shift-to-ethno-veterinary-medicines/



Some lifesaving solutions are so simple and obvious that they remain hidden in plain sight. This is particularly true for livestock disease treatments that have evolved over generations through experiences of communities, withstood the test of time, are embodied in local culture and practices and yet, the knowledge remains untapped in the absence of standardisation and scientific validation. More often than not, dairy farmers, and some field veterinarians, indiscriminately use antibiotics for treating even common infections in animals.

Researchers with Delhi-based Centre for Science and Environment (CSE) found evidence of such rampant misuse and overuse of antibiotics in 2020 and 2021, during consultations with dairy farmers and experts from various sectors such as animal husbandry, food safety, human health.

They had observed that most dairy farmers skip the critical withdrawal period—a prescribed number of days during which the treated animal should be excluded from the milk supply chain to allow antibiotic residues to be excreted out of its body. In 2018, the Food Safety and Standards Authority of India (FSSAI) had also found antibiotic residues in milk samples.

Such abuse of antibiotics not only adds to the treatment costs, but also increases the burden of

antimicrobial resistance (AMR). Interaction between antibiotic residues and pathogens in various environmental matrices (soil and water) and in living organisms can lead to formation and spread of bacteria that are resistant to antibiotics.

A comprehensive global study published in peerreviewed journal The Lancet in January 2022, estimates that infections caused by these antibiotic-resistant bacteria played a part in the deaths of 4.95 million people in 2019 alone.

"Antibiotic residues in milk also interfere with the manufacture of several dairy products such as buttermilk, shrikhand (a dessert made with yoghurt) and curd by delaying starter culture activity, crucial for production of fermented milk products," says Anilkumar Bayati, managing director of Sabarkantha District Co-operative Milk Producers' Union Ltd, also known as Sabar Dairy, in Gujarat.

One common infection among dairy animals that prompts farmers to depend on antibiotics is mastitis, which is caused by over 100 types of microorganisms such as bacteria, fungus and virus. The infection, triggered by rough milking, injury to the udder tissue or due to unhygienic farm conditions, causes inflammation of mammary glands and blockage of milk ducts. It thus affects milk production and manifests in change of milk colour, consistency or even presence blood in milk.

A review of studies in 2021 by the National Institute of Veterinary Epidemiology and Disease Informatics, the only institute that conducts surveillance and monitors animal diseases, states that 18 per cent dairy animals in the country suffer from clinical mastitis, while 45 per cent display subclinical mastitis, with no specific symptom except a slight decrease in milk yield.

Now call it an effect of a lack of enough field veterinarians and extension services in the country, or easy over-the-counter access to antibiotics or the fear of losing milk, and therefore income, most dairy farmers rush to administer high doses of antibiotics to the cattle even at the slightest sign of mastitis.

Reviving lost wisdom

2013

Mastitis identified as one of the major animal health issues based on ear-tagging data

2014

National Dairy Development Board (NDDB) launched Mastitis Control Popularisation Programme (MCPP)

2016

Ethnoveterinary medicines (EVM) integrated into MCPP

2017

NDDB along with University of Trans-Disciplinary Health Sciences and Technology prepares brochure for farmers for important bovine ailments in 12 vernacular languages

# 2019

Sabar Dairy starts manufacturing and packaging of EVM products; Facebook page on traditional herbal formulations for cattle and buffaloes created

2020

Mastitis cases at Sabar Dairy treated with EVM shows 85% cure rate; eGopala mobile app launched

2021

eGopala web version launched; Kaira milk union (Amul Dairy) started manufacturing and packaging of EVM products

2022

So far, 576 demonstration plots established by milk unions under NDDB guidance; trained 260 core group of veterinarians from 34 milk unions and producer companies; licensed EVM products launched

Source: Centre for Science and Environment To manage such common ailments and rationalise drug usage, especially antibiotics, the National Dairy Development Board (NDDB) in 2014 launched a project, Mastitis Control Popularisation Programme (MCPP). The programme, piloted at Sabar Dairy, initially focused on early detection of mastitis so that the animal can be treated using simple methods. Milk brought to the society by the farmer was checked using a test-kit called the California Mastitis Test (CMT).

If the milk tested positive for mastitis, the farm was identified, the animal found and given an oral regimen trisodium citrate (sodium salt of citric acid that has antimicrobial properties and can maintain normal pH of milk). After 10 days, the animal was tested again. A trial on 218 animals showed that two consecutive trisodium citrate treatments led to 89 per cent recovery.

Around the same time, NDDB was exploring other low-cost alternatives to allopathic drugs. In 2016, it joined hands with the University of Trans-Disciplinary Health Sciences and Technology (TDU), in Bengaluru, which was researching on traditional herbal medicines for animals, also known as ethno-veterinary medicines.

At Sabar Dairy, they conducted another trial on 30 cows affected with clinical mastitis. A reddish paste, prepared by mixing aloe vera, turmeric powder and lime, was applied onthe mastitis-infected area thrice daily for four to five days and the cattle were fed whole lemons. The medicine cured 29 cattle, with one farmer dropping out of the trial.

"We found that ethnoveterinary practices can be both preventive and curative. It can be used by farmers themselves as a first response to any condition," says M Balakrishnan Nair, Emeritus Professor, School of Health Sciences, TDU.

Following the successful trial, Sabar Dairy used its network of technicians, who conduct artificial insemination, to make farmers aware of its benefits. "We gave them an incentive of Rs 22 lakh to implement the approach on the ground," says Bayati.

Since then, MCPP has expanded to 25 milk unions and producer companies across nine states—Kerala, Assam, Punjab, Andhra Pradesh, Karnataka, Maharashtra, Gujarat, Uttar Pradesh and Tamil Nadu.

The expenditure of MCPP in 2021 was estimated to be Rs 2,605 lakh, with NDDB paying Rs 356 lakh and the rest borne by respective dairy cooperatives. Eight years later, CSE researchers visited various milk unions and producer companies. Interaction with dairy farmers and veterinarians showed an encouraging impact of MCPP.

# READY-MADE REMEDIES

Packaged ethnoveterinary formulations sold by milk unions and private players

# LICENSED PRODUCTS

#### Malabar milk union, Kerala

Mosticure\*: Prevents all types of mastitis Diar end: Prevents diarthoea Pyrexcure: Reduces fever Crock heal\*: Treats warts, pax and crocks in teats Heal all\*: Fer wound healing Rumatore: For indigestion, bloat, anorexia in cattle Milk let: For galectogague in cattle Fly repel: For ectoparaceticide/ficks in cattle

#### Ayurvet Ltd, herbal animal drugs company, Delhi

Diaroak: For diarrhoed of different eticlogy, call scours, non-specific diarrhoed

Mastidip\*: For prevention of udder infections, for leat and udder antisepsis, routine udder sanitisation

Charmil plus\*: For foot and mouth disease lesions, deep-sealed wounds, fungal infection, yoke gall, proderma, non-specific skin problems, scables, maggat wounds, surgical wounds

Mastilep\*: For treatment and control of clinical and sub-clinical mastitis, improving milk quality, promoting udder health

#### Trieto Biotech, a veterinary drugs company, Gujarat

Mostic lop\*: Prevents mostilis

Mustifiee: Prevents subclinical and clinical mastitis, increased milk yield, milk lat and SNF content.

Immuno syrup: Cures oil types of pyrexia

Digiboost Syrup: Cures all types of nutritional diarrhoed

#### Expanding horizon

The success of ethnoveterinary medicines on mastitis prompted a greater demand from farmers and veterinarians on their use for other bovine ailments.

NDDB thus expanded the scope of MCPP to 29 other diseases, which includes common diseases

# FEED SUPPLEMENT

#### Amul Dairy, Gujarat

Amul Mosta Mix: Prevents subclinical and clinical mastilla, helps increase in milk yield and in let-down of milk

\*Mastitis powder: Prevents mostitis

Amul Immune: Improves immunity

Amul Rumon pro Improves digestion in animals Amul Utero Plas: Prevents metrilis, helps in referition of placenta, abortion and agailactia

#### Sabar Dairy, Gujarat

Sabar Sanjivani: Prevents mostifis and sub alinical mastifis, helps to increase in milk production and fat, helps in agalactio

Sabar Mix\*: Prevents mostilis

Sabar Saral: Improves digestion in case of dicrihed, indigestion, impoction

Sebar Sedarshan: Prevents fever and improve immunity Sebar Amrut: Prevent mostilis

Sabar Uterine Cleanser: Prevents uterine infection, retention of placente

Aloe sabor\*: Prevents mostitis

#### Banas Dairy, Gujarat

Banas Shital: Prevents pyreoa Banas Amrut: Prevents mastilis Banas Pachak: Prevents Indigestion, diarrhoea, enteritis

Note: The above products are just a two examples of the products ovailable in the country; off products marked with an astoriak (\*) are for topical opplication, while rear are for one calministration. Amut is used for both cell and topical application Source: Dente for Science and Environment

like diarrhoea, deworming, fever, wounds, indigestion, and critical diseases such as foot and mouth disease.

Effects of the medicines were recorded on NDDB's Animal Health Management Information System. CSE researchers have analysed the data collected till October 2022.

#### **PROMISING NUMBERS**

So The Industry Part Gare achies achieseed its formers: associated with milk series part pr when every effected MOR DIVERS, PRODUCTS COMMAND MIDDIN DICKET Divisio Hidron Mit Presiden Designers His 72.4 100 84 6406 33.0 -\$7.8 12.4 Autors. 130 Party Assary 525, Washinston, Dollarson, 86.7 92.3 14 33 64.2 **BUIGHT** Auto Bill Peduce Dessery UK 104 100 487 92.0 \$0.8 88.7 88.4 dokertie fanit fo-operfeelikk wedeorr kree in **Minonia** Robalista Chargerathin Hilk Street and 78.8 31.3 44.2 \*\* 10.1 92.0 **01.4** 75.4 37.5 26.0 19.4 COLUMN DE COLONN with the And I should be 05.4 68.4 00.1 11.1 ste Sanni () operates Mill Perdorent Scienter Krisen 16.7 49.8 47,4 46.4 66.8 64.7 83.6 24.2 10.4 64.5 111 a Date Corporate Mit Notices Vicented Brief (2) 72.4 10.4 82.0 0.5 45 75.4 21.4 \$1.3 60 10 ienia. the Rest of the split has Mill Passanner to on LM 10.2 24 85.2 36.2 11.4 18.1 or 2% foliate 2nd Tyaka haugt in 21 78.5 75.7 81.5 -82.0 42.2 44.4 13.3 72 en Zehn Schenet kunst keunste sungh bit 68 10.4 as full law two work's Al. 49.4 78.8 33.7 29.3 78.7 80.3 18.9 14 \$1.7 Purpet of \$16 Parkney Dormey 18: -48.8 95.1 99.6 84.4 944 88.7 81.4 92.4 88.2 athing fold Departure Dis Robory Law 18 48 ara Robel In-guesta WA Postore's Union (Ar 72.6 19.5 61.5 62.6 76.8 74.9 16.0 38.8 17.5 18.4 Dite Privateli Instant, Will Produced Torophysics 85.5 41.4 81.6 80 44.2 84.7 75.0 44 00.5 .... 10.0 MER UNIONS, PROEMEDE COMPANIES IND LONGER LINDER IN REDUCTIONS -89.4 12 95.8 98.0 87.8 45.7 To ripsa Raditia Bill Petuale Conpeny Ho 11.0 11.0 Sand Dahle to spendly Mil Problem: Mean of 15.8 Ramon Groupmation Web Producer's Incontract Summittee 45.4 39.4 88.4 86.1 49.1 80.5 94.2 10.2 -11 takan salisi s International Debell Composition Mile Producer's Education 83.1 100 12.2 100 26.5 men lais sheori. Ante spete long-we 12.5 12.5 163 Purpet dio/Owner/12-genetive-tipk Processor' Series (12) 63.1 75 42.1 44.2 64.1 4.1 65 Rentif Book Consulta Un Patient (2011) 42.8 41.4 48.4 78.4 um Same Co-coanta MA Presare In 44.0 10.4 15.4

CSE researchers found a very high cure rate— 80.4 per cent of the 780,000 cases analysed across the ailments with ethnoveterinary medicines. Almost 80 per cent of the animals treated were suffering from ailments like mastitis, fever, diarrhoea, indigestion, wound, retention of placenta, bloat, lumpy skin disease and prolapse.

Farmers usually depend on antibiotics for treating these diseases. Those suffering from mastitis, fever and diarrhoea and indigestion accounted for 77 per cent of the total cases with an average cure rate of 81.2 per cent. This means four out of every five animals were cured using ethnoveterinary medicines for these four common ailments.

Of the 255,000 cases of mastitis, reported across all the 25 milk unions and producer companies, 78.4 per cent could be cured with ethnoveterinary medicines.

Baani milk producer company in Punjab and Pune Zillha Sahakari Dudh Utpadak Sangh in Maharashtra showed the highest cure rates of 96.8 and 96.6 per cent, with Kolar milk union in Karnataka showing the lowest 56.9 per cent cure rate.

Similarly, 163,000 cases were treated for fever, with 82.2 per cent cure rate. Sabarkantha milk union in Gujarat and Malabar milk union in Kerala showed the highest cure rates of 82.4 and 85.2.

In case of diarrhoea, 84.4 per cent of the 151,000 cases were cured. Sabarkantha milk union in Gujarat and Bengaluru milk union in Karnataka showed the highest cure rates of 85.5 and 84.2 per cent. Cure rate for indigestion was 83.4 per cent.

The efficacy of ethnoveterinary medicines has also been reported in the treatment of lumpy skin disease (LSD), a viral disease of cattle for which no cure or vaccine is available and is causing major outbreaks across the country since July 2022.

Under MCPP, 3,000 cases have been treated, with a cure rate of 66.2 per cent. The Depart-

ment of Animal Husbandry and Dairying now includes ethnoveterinary medicines in its treatment guidelines for LSD, released in August 2022. NDDB is also considering renaming MCPP "Disease Control through Alternative Methods". Cheaper and better

A high cure rate not only indicates that the use of antibiotics could be reduced, it also ensures higher income for dairy farmers.

Harish Patel, a small dairy farmer in Bhuvel village of Sabarkantha, sells his milk to Sabar Dairy. Patel also procures ethnoveterinary medicines from the village dairy cooperative society under Sabar Dairy.

"Since we began using these, the incidence of mastitis on the farm has drastically reduced," says Patel. "This medicine is extremely useful. We use it two to three times a year to treat mastitis and also after calving to improve milk output," says Kiritbhai Patel, another farmer in the village, who sells 30 litres of his daily milk produce to Sabar Dairy. "Use of these preparations have reduced treatment cost. We spend only Rs 100-200 on medicines instead of Rs 2,000-3,000 earlier," Patel adds.

"To scale up the use of ethnoveterinary medicines and to take it to the last mile, to the farmer, NDDB has prepared extension materials for various common ailments and is propagating those in the forms of videos, brochures, posters and mobile apps in all major vernacular languages," says Meenesh Shah, chairperson of NDDB.

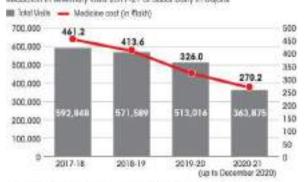
Such trainings and videos have helped Gurwinder Singh, a dairy farmer from Patiala, Punjab, who sells his milk to Baani milk producer company. Singh says he is able to prepare and administer ethnoveterinary medicines without waiting for the veterinarian. "Once the plant ingredients are available, these preparations are simple to make, and require no special expertise or logistics," he adds.

Milk unions are also benefitting from the switchover. Sabar Dairy claims a notable reduction in antibiotics purchased over the past five yearsfrom Rs 2.1 crore in 2017-18 to Rs 63 lakh in 2021-22.

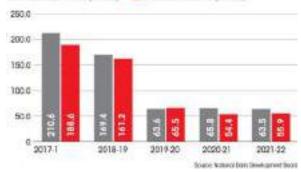
"Before rolling out ethnoveterinary medicines we were purchasing 12,000 to 15,000 vials of 30 ml sulfadimidine and sulfamet-hoxazole-trimethoprim antibiotic injections. We no longer purchase even a single vial of it. This antibiotic has a very long withdrawal period and its residues are harmful for humans," says Samir B Patel, assistant manager, Sabar Dairy. This has helped the milk union save Rs 1.91 crore on medicines, including antibiotics, non-steroidal anti-inflammatory drugs and other supplements.

Twin gains of ethnoveterinary medicine

Reduction in veterinary visits 2017-21 of Sabar Dairy in Gujarat



Reduction in investment on purchase of antibiotics between 2017-22 by Sobor Doiry in Gujorat Antibiotics purchased (in Club) Antibiotics consumed (in Club)



Bayati says there has also been a significant reduction of veterinary calls since the milk union has started promoting ethnoveterinary medicines, indicating increased use of these preparations by farmers.

Data with Sabar Dairy also shows a reduction of about 229,000 veterinary calls between 2017-18 and December 2020.

NDDB's latest annual report of 2020-21 highlights an average savings of 30 per cent in drug costs by milk unions that have seriously embarked on the use of ethnoveterinary medicines. They have reduced their medicine purchases, especially antibiotics, to the tune of Rs 10 lakh per month.

"Ethnoveterinary preparations provide a simple, cost effective and efficient option to milk producers for health care management of animals. It also provides an instant management option to households, devoid of the veterinary delivery system," says R S Sodhi, managing director, Gujarat Cooperative Milk Marketing Federation Ltd. To cater to the growing demand for ethnoveterinary medicines, some milk unions and private players have also started preparing packaged formulations.

"It is not possible for farmers to have access to all the raw materials all the time," explains Hargovindbhai Patel, who works at the Banaskantha district co-opertaive milk producers union in Palanpur, Gujarat (Banas Dairy).

"Farmers mostly tend to opt for ready-made preparations. If we tell them to make preparations themselves from raw material, they are less likely to make such effort. This is one of the reasons people choose allopathic medicine as it is ready to use," says a staff member at the Kaira feed plant of Kaira District Cooperative Milk Producer's Union Ltd (Amul Dairy) in Anand, Gujarat, on the condition of anonymity.

As of now, ready-made formulations are sold as feed supplements by milk unions and as licensed drugs by both milk unions and private players. Both Amul Dairy and Sabar Dairy have set up dedicated plants, with support of NDDB, for manufacturing and selling packaged ethnoveterinary medicines in the districts they cover.

Sabar Dairy manufactures different ethnoveterinary medicines for management of mastitis, fever, uterine health, improved digestion, better immunity and retention of placenta.

Amul Dairy also manufactures and sells packaged ethnoveterinary medicine pouches for prevention of mastistis, improved digestion, immunity, retention of placenta, abortion and agalactia (the absence of milk production in an animal that should be producing milk).

Banas Dairy has also started packaging its products. However, packaged medicines prepared by milk unions are only available at their co-operative societies and are sold at low prices for registered farmers. These are not available with local pharmacists.

Taking a step forward, the Malabar regional cooperative milk producers union in Kerala has obtained a licence from the state's Drug Control Department for ethnoveterinary medicines products it manufactures under a startup, called Ethnovet MLMA.

In June 2022, the start-up launched eight types of ethnoveterinary medicines products to prevent mastitis (Masticure), diarrhoea (Diar end), healing of wound (Heal all), improve digestion and bloating (Rumatore), reduce fever (Pyrexcure), improve milk production in cattle (Milk let), treatment of warts or cracks in teats (Crack heal) and keeping away of ticks or ectoparasiyes (Fly repel). Owing to the licensing, these products can be marketed like any other medicine. They are priced between Rs 80 and Rs 200.

There is also a newfound interest among private players to sell licensed ethnoveterinary medicines. For example, several unions under Punjab State Co-operative Milk Producers' Federation have been using Mastitis Malam and Must free manufactured by Trieto Biotech, which has been supplying their products to several dairy cooperatives in Gujarat since 2016.

Ayurvet Limited in Delhi is another company that manufactures ethnoveterinary medicines for cattle. In 2021, a medicine called Mastirak Gel, developed by National Innovation Foundation, an autonomous body of the Department of Science & Technology, has been commercialised through the industry partner Rakesh Pharmaceuticals. It is a poly-herbal and cost-effective medicine to treat mastitis. All these medicines can be purchased at stores supplying veterinary medicines in various parts of the country.

## Game changer

By now, there are ample studies to establish that the use of ethnoveterinary medicines present a way to reduce and conserve the use of antimicrobials critical for human healthcare and also provide safe milk to consumer.

Ambika Prasad, Sundarban Co-operative Milk and Livestock Producers' Union, says, "We train our farmers for organic milk production, and ethnoveterinary medicines are part of the training programme."

Reduced use of antibiotics in dairy farm also means lesser amount of unmetabolised antibiotics will find their way in to the dairy farm waste. Use of such antibiotic-free dung as manure for other agricultural farms will also prevent the inter-sectoral transfer of residues or resistant bacteria. This will add to the organic movement by being AMR safe.

A study by TDU and Tamil Nadu Veterinary and Animal Sciences University in Chennai, published in the Research & Reviews: Journal of Veterinary Sciences in 2017 shows that use of ethnoveterinary medicines led to a reduction of antibiotic residues in milk.

Twenty seven animals infected with clinical mastitis were treated by applying ethnoveterinary formulation externally over the udder 10 times per day for seven days.

Affected cows were also fed with two lemons twice daily. Post-intervention impact analysis after one year showed up to 18-49 per cent reduction in antibiotic residues.

"Due to the problem of resistance, there is only 20-25 per cent cure rate of mastitis cases with allopathic therapy, but we have seen above 80 per cent cure rates for mastitis and several other ailments with herbal preparations," says Arvind Yadav, manager, Saahaj Milk Producer Company, Agra.





## Ethnoveterinary preparations provide a simple, cost effective and efficient option to milk producers

R S SODHI Managing Director, Gujarat Cooperative Milk Marketing Federation Ltd

To promote the use of ethnoveterinary medicines, NDDB is propagating the message through videos, brochures, posters and apps in major languages

MEENESH SHAH Chairperson, National Dairy Development Board

There is also some momentum around integrating Ayurveda and its allied disciplines into veterinary science. TDU has initiated a PG Diploma course in EthnoVeterinary Practices jointly with Tamil Nadu Veterinary and Animal Sciences University. Some 61 veterinarians have already enrolled for the course.

"We have signed an MoU with the Ministry of AYUSH where we are not only talking about research and development on the herbal products but also bringing this education into the formal system of education in the veterinary curriculum," said Praveen Malik, former animal husbandry commissioner of the Department of Animal Husbandry and Dairying at a CSE meeting in February 2022.

The use of ethnoveterinary medicines as an alternative to antimicrobials seems promising as the country is the largest producer of milk, contributing 23 per cent of global production.

For this, the Union and state governments should promote ethnoveterinary medicines among milk federations and big and small milk producers and procurement agencies through suitable policies and programmes. CSE researchers recommend a few measures to achieve this: Create awareness among veterinarians, paraveterinarians, far-mers, milk procurement agencies, dairy collectives through training and capacity building.

Develop a research agenda, promote pilot projects across states for different diseases and formulations, and publish results for greater learning and trust building among stakeholders.

Modify curriculum for veterinarians to include ethnoveterinary medicines.

Make ethnoveterinary medicines preparations/products available and appropriately regulate them for price and quality.

Make ethnoveterinary medicines ingredients/preparations available through supporting herbal gardens and manufacturing/ mixing plants such as through self-help groups, local producers, community as well as small and medium enterprise.

Monitor ethnoveterinary medicines interventions and document their impact on cost, livelihood, health, antibiotic residues and reduction in AMR load.

Incentivise antibiotic-free milk or milk produced without the use of antibiotics; label such milk and milk products.

Make consumers aware about ethnoveterinary medicines in dairy and its role in reducing antibiotic residues in milk and eventually the AMR load.

Incentivise cattle dung not treated with antibiotics for use in crops as organic manure.

# Amul Dairy directors were not part of New Zealand delegation

## APR 29, 2023

https://dairynews7x7.com/amul-dairy-directors-were-not-part-of-new-zealand-delegation/



hree days after the Gujarat Cooperative Milk Marketing Federation Ltd denied that two members of a dairy delegation from Gujarat had harassed a woman while on a study tour to New Zealand , Vipul Patel, Chairman of Kaira District Cooperative Milk Producers' Union Limited – the oldest milk cooperative of Gujarat known as Amul Dairy – on Thursday accused the GCMMF of "tarnishing the Amul brand name".

Stating that no director of "the original" Amul Dairy was part of the delegation that toured New Zealand, Patel threatened that Amul Dairy would "revoke the rights to use the brand name" by GCMMF and other milk cooperatives.

Speaking to media persons at his office in Anand, Patel said that he had sent out a "notice" to GCMMF seeking that it should be clarified that no director of "Amul" was part of the delegation. Patel said, "I have been receiving calls from several persons who have read reports about Amul's directors being accused of harassing a woman... I want to clarify that Amul Dairy has no part in whatever happened there. None of the directors of Amul Dairy, Anand – the original Amul Dairy conceptualised by Sardar Vallabhbhai Patel, Tribhuvandas Patel and Verghese Kurien – were part of this delegation."

"Whether an incident happened or did not happen... there is a saying that if you pick up dung, some dust will come with it... something may have happened... as the GCMMF is denying it, but there was no need for the delegation to be called 'Amul delegation'," he added.

# Shah asks NDDB to make India "Dairy to the World"

APR 28, 2023

https://dairynews7x7.com/shah-asks-nddb-to-make-india-dairy-to-the-world/



ppreciating the stellar role being played by NDDB in strengthening the dairy co-op movement in the country, Amit Shah, Union Minister of Home Affairs & Cooperation raised the bar for the NDDB to reach out to all those panchayats and villages where there is no dairy co-op.

"NDDB needs to further strengthen cooperative dairying by playing a major role in establishing viable dairy cooperatives in uncovered Panchayats/ villages having potential for dairying", said the minister who met the Board members of NDDB in Delhi on Thursday.

NDDB Chairman Meenesh Shah welcomed the Minister. Those present on this occasion included Cooperation Secretary Gyanesh Kumar, JS Pankaj Kumar Bansal, GCMMF Chairman Shamal Patel, NDDB Board of Directors Ms Varsha Joshi, among others.

Speaking on the occasion, the Minister also highlighted the need for multi-commodity Cooperatives, common brand for export of pro-

duce of cooperatives, promotion of organic produce, better capacity utilisation of milk processing facilities by cooperation among cooperatives, self-reliance in manufacturing dairy machinery & also export of indigenous dairy equipment though IDMC Ltd, a subsidiary of NDDB. Shah also mentioned that the Subsidiary Companies of NDDB have to play a lead and stellar role in achieving these. Minister also acknowledged NDDB's initiatives to strengthen dairying in neighbouring countries and African nations, and said India needs to become "Dairy to the World" through export of quality milk and milk products to further enhance farmers' income. This will help fulfil the Prime Minister's goal of Vasudhaiva Kutumbakam-The world is One Family, he stated.

The Chairman of NDDB Meenesh Shah briefed the Minister about India's dairy sector, NDDB's 'Farmers First' vision for undertaking all its initiatives following cooperative strategies, scientific dairy husbandry practices adopted by farmers, efforts of NDDB's subsidiaries strengthening dairy cooperatives thereby improving the livelihood of crores of farmers and thus furthering the objectives of NDDB.

The Chairman and Board of Directors of NDDB thanked Shah for his guidance and assured him of full support towards the development of the dairy sector.

# Fact check on nutrition of health drinks like Bournvita and Horlicks APR 27, 2023

https://dairynews7x7.com/fact-check-on-health-drinks-like-bournvita-and-horlicks/



alt-based drinks like Bournvita, Complan & Horlicks are top supplements in India, especially for children, but growing awareness, stricter norms may put an end to that.

In the late 1800s, British pharmacist James Horlick and his brother William immigrated to the US where they began experimenting with a powdered form of nutritional supplement for infants, derived from malt and barley.

In Chicago, they founded the Horlick Food Company, where a malt-based powder was created to be eventually trademarked as "malted milk".

Fast forward 100 years to 1987 and Horlicks emerged as the biggest selling malt-based drink in India — its biggest market. It has held onto this position since.

That may explain Unilever's decision to buy GlaxoSmithKline (GSK) Plc's nutrition business in India, which includes the latter's most prominent product — Horlicks. Unilever has reportedly offered to pay roughly \$3 billion for about 70 per cent of GSK's India division.

While there is scepticism about the deal, sparked by fears that Indians may be increasingly losing

their affinity for malt-based drinks such as Horlicks, for now, however, the malt-based beverages are yet to be knocked off their pedestal. The rise of the milk substitute

India is the largest consumer market for maltbased drinks in the world.

The malt-based products are marketed as 'health drinks' here and are specifically targeted at children. Apart from Horlicks, the other top recognised and well-loved names include Bournvita, Complan, Boost and Milo.

Such is the market here that Horlicks, according to this report, ranks only 56th globally in the health-and-wellness beverage category, despite being at the top position in the country.

The rise of malt-based drinks in India was fuelled by the country's struggles with malnutrition at the time of Independence. In an under-nourished nation, the brands capitalised on milk shortage in the northern and eastern parts of India, shortly after Independence, by positioning themselves as substitutes for milk.

Today, they also make specific claims targeting children. While Horlicks claims it is "clinically proven to help kids grow taller, stronger and sharper", Complan claims it is "clinically proven" that it aids "2x faster growth" in children.

At times, these claims can border on the outlandish. Bournvita says the product contains "inner strength formula" that can help develop the brain, bones and muscles.

But experts argue that these drinks don't really deserve their 'healthy' tag and more importantly, may not even be the right supplements for children.

#### Macronutrients and sugar

As with most packaged food products, the ingredients of the malt-based drinks are a dead giveaway. While the primary ingredient is clearly malt — often a barley or cereal derivative — the subsequent ingredient is almost always sugar.

Take Complan for instance. A 100g of the maltbased powder contains 18g of protein, 11g of fat and 62g of carbohydrates, of which 24g is sugar. Using the same metric, Bournvita is 7g protein, 1.8g fat and 85.2g carbohydrates, of which 32g is sugar. Horlicks is 11g protein, 2g fat, and 79g of carbohydrates, which includes 13.5g of sugar.

Complan recommends a 33g serving, which would make one serving contain nearly 8g of sugar. Bournvita recommends 20g, making it 6.5g of sugar, and Horlicks doesn't explicitly recommend serving sizes.

"Horlicks Classic Malt has 21.3g of carbohydrates of which added sugar is 3.7g per serve that is well within the NIN recommendation," said a GSK spokesperson.

India doesn't have recommendations for sugar consumption but the latest WHO mandate recommends a cap of 100 calories (5 per cent) in a 2,000-calorie diet.

A gram of sugar provides four calories. At 8g of sugar, Complan provides 32 calories; at 20g, Bournvita provides 80 calories, and Horlicks provides 17 calories.

All of these are well within the upper allowed limit of 100 calories from sugar but this would mean that someone consuming Bournvita, for example, is allowed only 20 additional calories to stay within the prescribed sugar limit. That rules out even another serving of Bournvita.

And considering how modern diets are filled with sugary junk food, these malt-based drinks may add to consuming sugar above the prescribed limit.

"All the nutrition children get from these beverages is actually from milk," said Priya Kathpal, nutritionist and founder of Nutrify. "These products only serve the purpose of enhancing the taste of milk that children tend not to like. Constantly feeding such products to children is utterly an ill-informed decision by parents."

The primary reason why Kathpal says so is the fact that sugar is addictive. "This also leads to children never drinking milk by itself and always associating it with a sugary, chocolate-filled taste," she added.

"These beverages might work for children because they're so active," said Ishi Khosla, a clinical nutritionist at the Centre for Dietary Counselling, Delhi, and founder of The Celiac Society of India. "But if these beverages are consumed regularly, especially in adults, the excess sugar, which comes with small amounts of supplemental value, needs to be factored in and accounted for."

The micronutrients question

Another of the 'healthy aspects' that these maltbased drinks play up is their micronutrient content. Micronutrients are essential in small quantities as they enable the human body to perform and enhance physiological functions.

Calcium, for example, is beneficial to the bones, vitamins of type B are necessary for energy production, Vitamin C for creation of collagen and neurotransmitters, Vitamin D for immunity, magnesium for regulating blood pressure, potassium for maintaining fluid in cells, zinc for healing wounds, iodine for thyroid regulation, among others.

The lack of these micronutrients, in our diets, leads to nutrient deficiency, malnutrition and can even lead to diseases. According to this report, two heaped tablespoons of Bournvita mixed with a mug of milk provides around 45 mg of potassium, 25 mg of sodium, 1 g of protein, 6 g of sugars, 8 per cent of the daily Vitamin A, 10 per cent of the daily iron, 30 per cent of the daily Vitamin C, 15 per cent of daily Zinc, and 10 per cent of daily Magnesium necessary to the body. It also reportedly contains pro-health vitamins such as B9, B12, B2 and Vitamin D.

Complan claims to have "34 vital nutrients" including calcium, iron, iodine, vitamins A, E, C, and vitamin B12 to "help improve memory and math ability". Horlicks "combines the natural goodness of cereals and milk with the promise of science to help give your kid wholesome nutrition". But even then, other factors are at play. Take Vitamin D for instance. It is recommended that all individuals, including children and adults, consume 15 micrograms (or 600 units) of Vitamin D a day. Bournvita Lil Champs, for example, contains 10 micrograms of Vitamin D per 100g. This does not even come close to daily requirements for children, who would otherwise have to consume nearly 10 tablespoons of it per day to meet norms.

Complex chemistry plays out here too. Sugar is an inhibitor for the absorption of both Vitamin D and Calcium. Furthermore, it is well documented that cow milk inhibits absorption of iron and its consumption is actually a leading factor for anaemia among infants. So even if Bournvita is fortified with Vitamin D and iron, and milk with Calcium, the sugar and milk will suppress the absorption of other minerals, nullifying their value. Micronutrient deficiency or "hidden hunger", however, will cause the body to quickly absorb micronutrients. So these quantities are beneficial to children who suffer from the deficiency of these nutrients but not for the ones who are otherwise healthy.

"Our body is very efficient at absorbing such tiny amounts of nutrients when a person suffers from

hidden hunger," says Khosla. "There are definitely other better sources of obtaining these micronutrients. These might provide supplemental value but very minimal."

Where is the independent research?

Zero — this is the number of independent studies that have investigated the human absorption of micronutrients from malt-based drinks.

The figure, however, is with a caveat.

Horlicks makes the following claims: "Horlicks give the Assurance of Clinically Proven 5 signs of Growth that help kids grow +Taller, Stronger and Sharper.

More Bone Area: Increases density of minerals such as \*Calcium to make their bones bigger and stronger.

More Muscles: Clinically proven to increase\* lean tissues that make children "stronger".

Better Concentration: Makes children sharper by improving their attention and concentration\*.

Healthier Blood: Clinically proven to increase\* levels of blood health-related nutrients like Vitamin A and Folate in the circulation.

Healthy Weight gain: Horlicks is clinically proven to increase\* Fat-free mass, making the child stronger."

The asterisks above refer to a study conducted in 2006, from which five papers were published in the journal Elsevier Nutrition. Horlicks has relied on these papers to back up its claims.

"The study was a large (869 children) doubleblind, placebo-controlled, randomised clinical study, conducted in apparently healthy schoolgoing children (aged 6-16years) to evaluate the effect of intervention with a micronutrient-fortified beverage (Horlicks) on growth and development," a GSK Consumer Healthcare spokesperson told ThePrint.

"In the study, children were divided into two groups in random order. In the test group, children received Horlicks with micronutrients (in 150ml of toned milk) and placebo group received an energy matched identical looking non-fortified nutritional beverage (in 150ml toned milk)." The study requires some examination. It compared the effects of 14 months of daily consumption of 54g of "micronutrient-enriched beverage" against a control of non-fortified placebo (plain milk) in a residential school in Hyderabad. Off the bat, the study was funded by Glaxo SmithKline, which owns Horlicks. The numbers of students also vary in the papers published as several students dropped out and those who completed Class 10 moved on.

In the five papers, the student numbers were 268 for the study on bones, 608 for mental function, two unclear and 869 children in the growth and morbidity studies.

Milk behind benefits: Researcher

Veena Shatrugna, former deputy director and head of the clinical division at the National Institute of Nutrition, and lead author of the paper that examined bone density in children, said that she attributes all the positive results seen in her paper to consumption of milk.

"We used a micronutrient-enriched mixture that was meant to be given with milk but it was primarily milk whose consumption produced these results," she clarified. "The micronutrients simply provided a digestible taste to the milk. I'm sure the small micronutrients might have had an effect but our study didn't require us to study them. Our results of improved calcium clearly indicate that it's just the milk that was responsible for it."

Shatrugna also stressed that the study was performed only on children who otherwise had good nutrition, saying that the results should not be applied to those who lack proper food and nutrition.

The micronutrient mixture was sold to the scientists by Glaxo SmithKline, which also funded the study and subsequently claimed that Horlicks increased bone size and strength. Yet the study concludes thus: "Amounts of calcium and other nutrients contained in the supplement were inadequate for tissue growth with density increases." Similarly, the mental ability study concluded that the nutrient-enriched beverage improved attention-concentration, but not IQ, memory, or school achievement. Horlicks uses this study to claim that it "makes children sharper by improving their attention and concentration."

What works in Horlicks' favour is that of the malt-based beverages in the market today, it has the least sugar content.

There are no publicly available scientific papers to back the claims of the other products such as Bournvita and Complan. Queries to Mondelez, the owner of Cadbury Bournvita and Kraft Heinz, the owner of Complan, went unanswered. This article will be updated when their responses are received.

The food labelling problem

A 2013 study that analysed the nutritional information on 20 major malt-based drinks in India found that different products disclose different amounts of nutrient information depending on who they're targeting.

All of them disclose macros (carbohydrates, protein, fats) and some primary nutrients (vitamins, iodine, calcium, iron), but several disclosed only the nutritional information that was beneficial for marketing to the target consumer.

Complan Nutri Grow, which targets young children, aged two to four, disclosed only 26 nutrients while Abbott PediaSure, another infant product classified as a malt-based drink, disclosed 44.

The study came to the conclusion that "the difference in information content across health drinks imply that there is no standard regulation for disclosing the nutritional information and therefore such information is provided by the organisation on a voluntary basis".

Another study showed that several beverages over or understated the actual nutritional information in their labels. For example, it showed that the Horlicks contained fat, protein and niacin (which converts food to energy) below the declared value, Complan had calcium, protein, and niacin below declared value, Bournvita, Boost, and PediaSure declared niacin below declared value, and Protinex astonishingly contained carbohydrates, protein, and fats below declared value.

Dehydroascorbic acid (DHA) is an important nutrient for the brain and the heart. The paper states that three brands – Amul (pro), Bournvita (Li'l Champs), and Complan (NutriGro) –claimed to contain DHA but none of them actually do at all.

The study claimed that Protinex even contains 9.67 per cent of ash when the permissible limit is 5 per cent. It also stated that Complan weighs over 2g less than what the product actually claims to weigh, although the margin of error is permissible under Legal Metrology Rules of 2011. (Note that the study is from 2013. It is likely that the numbers are different today, although updated tests, since then, are not available yet). All of this is because malted beverages just did not have regulations or standards, especially when it came to labelling until earlier last year.

"The state must ensure that adequate food and milk is available to children during their growth phase," said Shatrugna.

Times are changing for these drinks in the market today. Euromonitor International showed that malted beverages have seen a slowdown in growth from 13.2 per cent to 8.6 per cent between 2014 and 2017.

Consumers seem to be more aware today, making more informed choices. As a result, there has been an upward trend in the growth of beverages that have increased protein content or are to be consumed as meal replacements. Several consumers are also mixing syrups in milk instead of consuming powders.

As a result, big brands are actually exiting the market as the future of malted drinks in India finally seems to be on shaky ground. Little wonder then, that even GSK has put Horlicks on the block.

# DAHD Organizes 2000 Camps Across Aspirational Districts

APR 27, 2023

https://dairynews7x7.com/dahd-organizes-2000-camps-across-aspirational-districts/



s part of Aazadi Ka Amrit Mahostav, the Department of Animal Husbandry and Dairying organized awareness Programme "Pashudhan Jagruty Abhiyaan" under the campaign on Inclusive Development on 24th April 2023. Information on various Schemes and Programms of the Department especially on Entrepreneurship, Vaccination and other beneficiary-oriented schemes of the Department were explained through the Common Service Centres network by holding 2000 village level camps across the Aspirational Districts. Ms. Varsha Joshi, Additional Secretary, CDD chaired the meeting. Attendees were given complete information about schemes and veterinary services, as well as how to apply on the scheme portal through the CSC itself. Around 1 lakh farmers joined the awareness Programme virtually from Common Service Centers.

Ms. Joshi interacted with the farmers during the program. Her insights and expertise proved invaluable in helping the farmers gain a better understanding of the various aspects of animal husbandry and dairy farming. Realigned schemes of DAHD are helping in creating rural Entrepreneurship and creating better livelihood opportunities for unemployed youth and livestock farmers in the poultry, sheep, goat, piggery, feed and fodder sector paving the way towards Atma Nirbhar Bharat, she said during her opening remarks. The program was designed to help farmers gain a better understanding of the latest practices and techniques in animal husbandry and dairy farming, thereby improving their livelihoods. The impact and success of the schemes were explained with the help of presentations and videos.

# Plant milk is catching up in India: Dairies are 'concerned'

APR 27, 2023

https://dairynews7x7.com/plant-milk-is-catching-up-in-india-but-amul-mother-dairy-are-concerned-over-itshealth-benefits/

n World Vegan Day this year, the Internet was rife with a list of celebrities who have adopted a life free of animal products. The names included actors Aamir Khan and Sonam Kapoor, and cricketer Virat Kohli. Then there are premium magazines that fill in readers about elaborate vegan diet plans of India's biggest celebrities. Against this backdrop, the country's food regulator put out draft guidelines on classifying vegan-packaged foods in September this year, along with a new logo for them.

These were signs enough to indicate that though small, vegan foods as a consumer category were gaining plenty of traction in India. However, it's not often that a new consumer segment attracts attention from the courts.

Plant-based vegan alternatives for milk have become the talk of the industry, with a Delhi High Court case pitting these vegan brands against the Food Safety and Standards Authority of India (FSSAI).

India's market for plant alternatives for milk and meat is pretty small — some estimates put milk alternatives at between INR200 crore and INR230 crore to up to INR300 crore. There aren't any for meat alternatives. While it is growing rapidly, the growth-rate estimates vary wildly.

Large foreign brands already have skin in the game. US's Hershey sells soy and almond milk

under the Sofit brand, whereas New Zealand's Life Health Foods has been selling a variety of plant milk under the So Good brand. French dairy major Danone-backed Epigamia and Sequoiabacked RAW Pressery are also looking to grab a pie of this burgeoning business.

Why vegan?

The global plant-based dairy-alternatives market is estimated to be worth USD19.66 billion as of 2020. It is expected to grow to USD53.97 billion by 2028, at a compound annual growth rate of 13.3%, according to research firm Fortune Business Insights.

Consumers in European and American markets have been in a long arc towards sustainable consumption, including going vegan. Some of this is a move to counter the non-ethical and polluting practices of industrialised dairy and meat production, particularly in countries of Europe and North America.

A large chunk of vegans is turning away from animal-product diet due to a growing belief in 'clean' eating that eliminates lactose (present in dairy) and meat because it is believed by many to harm their health (although the scientific evidence on this is not conclusive).

"This is a very good, very loyal, and a slightly premium market (plant-base

	2014	8977	17.8	110	1928
Reference .	1.12	11.28	11.11	11.96	9.38
New Towinst	10.67	10.67	10.00	10.87	18.80
Anara	11.12	TU21	10.00	11.29	10,44
lutrals.	80.61	10.38	18.52	30.06	8.00
Creatale .	8.00	7.65	3.04	262	1.61
10.081	6.59	8.88	8.54	8,40	8.85
Delted (Nation	6.98	5.79	0.02	1.46	6.4
nda	6.0	6.31	6.68	478	5.87
Harit	4.00	+31	1.0.00	6.17	1.16
Russia.	5.80	5.18	8.09 ·	4.98	4.85
Apres In Lemma					
		Canal Managine, Dec			

d products). You don't want to be in a place where you are in every home and playing a price war."

— Chirag Kenia, founder and managing partner, Urban PlatterSome of these consumer trends are now prevalent among richer, urban consumers where lifestyle disorders — cardiovascular diseases, hormonal and reproduction issues — are common. Studies have conclude that between 60% and 75% Indians are likely lactose-sensitive or intolerant, meaning they cannot digest lactose present in cow's milk completely.

Ethical concerns are also driving affluent urban consumers to make similar choices as their western counterparts despite India's per capita consumption of both milk and meat being much lower than that of developed countries.

#### Plant-milk manufacturers: a financial snapshot

CANTER THE STATE OF STATE	Select	Net profit/Domai-
Life Health Procis Ind is [30 Genel]	8.5	0.001
Drums Pierer internet men Egripse (e)	105.81	44.94
ferities inductivations from the prest (	217,318	-12.88
Rokyan Reverages (RAN) Pressury (	85.78	-59.5
Registrative Estreprises (doubtings)	44	-1.38
sufficiency of the product of the second second		

In FY21, Life Health Foods India reported a 28% jump in sales to INR19.3 crore and went from just break-even to a net profit of about INR29 lakh, according to MCA filings.

An exception is the market for meat alternatives, much smaller in India in comparison to the dairy alternatives. The demand for these is driven by religious and social concerns, although several of these plant-milk manufacturers either already have meat alternatives on offer (Life Health Foods, Urban Platter) or are planning to (Goodmylk). More on that in the second instalment of this story.

"Our management are all former animal-rights activists," says Abhay Ranga, founder of Bengaluru-based Goodmylk. "The first few thousand customers were largely vegan [as an animalrights ethical stand]. Now our consumers are largely coming to us for a healthier alternative [to dairy]. I don't know how many Indians are fully lactose-intolerant, but [this shift among consumers] is more about realising that dairy isn't all that it's cracked up to be and there are healthier alternatives out there. It's the same as [the shift to] olive oil from sunflower oil."

A majority of the plant-milk market is still online, via grocery e-tailers like Bigbasket and Amazon, or direct-to-consumer channels operated by the brands themselves. In India's largest cities, standalone supermarkets and high-end stores, along with big supermarket chains, are also prime channels for everything from soy milk (present in India since long) to new imported blends like rice and walnut milks. Compared to packaged dairy products, including premium ones like milk in Tetra Pak, these vegan alternatives are significantly more expensive.

Decisions on which kind of plant milk and what brands to buy are still largely influenced by online media. "In India, you have people across the country who are constantly being influenced by various mediums being pushed to put alternatives on their plates," says Chirag Kenia, founder and managing partner of Urban Platter, an online vegan-foods brand that also sells almond milk and oat milk. "This is playing out on social media, on a medium like WhatsApp, across the health sector. This is an interesting conversation happening across the country". So, why are prices for these products so high? Plant 'milk' is manufactured using water and relatively expensive ingredients such as almonds, cashew, and soya. Most brands rely on thirdparty manufacturing for now, but the costs of products like almonds — often imported from California for their good quality — drive up the retail price of the end product. Besides, as demand grows and shifts from soya milk to newer and more expensive alternatives like almond milk, options and prices are rising further in this sub-segment. Almond milk's rising popularity over soya is because it tastes better and is perceived to be healthier than soy, say founders of vegan milk brands.

"This is a very good, very loyal, and a slightly premium market. You don't want to be in a place where you are in every home and playing a price war," Urban Platter's Kenia says.

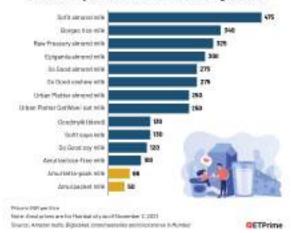
An exception to this very premium market is coconut milk, a non-dairy milk that is traditionally used in several cuisines across the country but is not generally marketed as an alternative to cow's milk. The market for coconut milk is much bigger and mostly geared to homes that need the ingredient for traditional coastal cooking. Large listed firms like Dabur cater to this market. Why is Big Dairy worried?

The market for plant milk is only just burgeoning, and there is hardly an overlap between packaged dairy consumers and potential consumers of vegan alternatives, because the price differential is gigantic — between 2x and 5x the price of a litre of Tetra Pak cow's milk, which is anyway considered a premium product in the dairy market.

But the market is burgeoning enough to have caught the attention of India's Big Dairy — Amul, Mother Dairy, and other national and local milk co-operative brands that dominate India's dairy market, estimated to be about INR1.5 lakh crore in value.

Dairy brands say they are concerned because they believe plant-based milks are inferior to dairy.





"If you make plant-based products, you have to make sure you say they are synthetic products with some natural ingredients, with artificial colour, flavour," says RS Sodhi, managing director of the Gujarat Cooperative Milk Marketing Federation, owner of the Amul brand. "You eat food because of three things — taste, nutrition, and affordability. These products do not meet any of these parameters. They are not natural products. They are nutritionally very inferior [to milk protein]. They are not plant based; they are chemical based. They are artificial".

Amul ran an ad campaign in the print media in March this year, claiming to bust the myth that the dairy industry is cruel to animals, and to assert that cow's milk is a natural, complete "superfood".

But this is no longer a tussle playing out in newspaper advertisements. India's milk co-operatives are putting pressure on the country's foodsafety regulator for a pushback. And this has moved to the courts.

On September 1, the FSSAI issued a letter to ecommerce food business operators (such as Bigbasket and Amazon) saying it had received a complaint from the National Cooperative Dairy Federation of India, way back in March this year. It seems India's dairy co-operatives were upset that plant-milk brands were calling themselves 'milk'. The letter reminded these brands that under FSSAI rules for milk and milk products, no product that is not specifically of dairy origin can use the "nomenclature of dairy products" except certain goods like coconut milk and peanut butter "based on the internationally accepted principle that dairy terms were being traditionally used in their nomenclature and such products" are not substitutes for milk or milk products".

Essentially, the letter was an order to grocery ecommerce firms — delist any plant alternative for dairy that uses dairy terms in violation of FSSAI definitions. The deadline? "Immediately", the letter ended.

Right after, parent firms of five brands — Epigamia, RAW Pressery, Goodmylk, Urban Platter, and Hershey India — moved the Delhi High Court against the order. Lawyers for the brands argued that one of them was operating on an FSSAI licence that identified its product as 'soy milk'.

On September 10, the court passed an order staying FSSAI's directive, but said the regulator was free to conduct an investigation on the alleged violations. The case is going on and will next be heard in January 2022.

An FSSAI spokesperson did not immediately respond to requests for comment.

The legal campaign did affect sales of plantbased milk for a short while, says a senior executive at a leading plant-milk brand, requesting anonymity. Most brands involved in the case were forced to address their supply chain, vendors, and customers, given that almost everyone relies heavily on e-commerce platforms for their revenues. Some such as Life Health Foods' So Good have changed their nomenclature despite the court's stay and are calling themselves plantbased beverages, instead of milk. "No doubt, they should grow and market. But they should have their own segment, and not hijack the terminology of the dairy business. They are misinforming consumers," Amul's Sodhi says. "Veganism — this is a fad. What will you do if you don't have proper nutrition? What will you do if you don't have proper calcium and protein?" he asks.

Amul is also addressing the market for dairy alternatives to tap consumers unable to digest lactose, estimated to be a bigger cohort than those invested in the ethics of an animal-products-free life.

Amul sells lactose-free cow's milk in 250ml Tetra Pak for INR100 a litre. While the product is "doing very well in urban markets", Sodhi declines to share the numbers, saying it is still less than 1% of Amul's milk sales. At an annual turnover of nearly INR40,000 crore, that is still a formidable figure. Amul also has a lactose-free ice-cream and wants to concentrate on new "health" products. "Lactose-free, sugar-free, there is a big market here," Sodhi says.

## The bottom line

The scale of India's plant-milk business does not even compare with the behemoth that is India's packaged-dairy industry. Yet, here it is, embroiled in a legal and regulatory tussle.

Meanwhile, foreign and domestic venture capital is backing the vegan action. It has started with milk; the next frontier is meat alternatives. But that is a smaller market, and the target consumer is more complicated to define. Among those involved in that space is a listed restaurant chain and a Bollywood actor couple. Some of the plant-milk brands are either already selling meat alternatives or have interests in this space. More on that in the next instalment of this story.

## How sugar turned bitter for Bournvita

## APR 27, 2023

https://dairynews7x7.com/and-the-maker-of-popular-maggi-noodles-had-acknowledged-that-more-than-60-percent-of-its-mainstream-food-and-drinks-products-do-not-meet-a-recognised-definition-of-health-and-that/



In a country which is called the diabetes capital of the world, where 'high sugar' is increasingly seen as more dangerous than delightful, Bournvita was cruising for a bruising. Bournvita-maker Mondelez India's recent scrap with social media influencer Revant Himatsingka, who claimed high sugar content in the drink, put its own health claims in the public glare. Bournvita-maker Mondelez India's attempt to browbeat the influencer with a legal notice attracted counters from many health experts too.

And now Mondelez India has received a notice from the child rights body NCPCR which has asked it to review or withdraw all "misleading" advertisements, packaging and labels. The NCPCR has also demanded a detailed explanation within seven days.

Now that Bournvita has attracted notice from a regulator (and another, food regulator FSSAI, might also be looking into the issue), it will have to prove that its glitzy advertisements make claims that are substantive rather than half-truths wrapped in technical and legal face-savers.

Unwittingly, Bournvita has got itself into a challenge from which it is not likely to come out unscathed. After the Bournvita controversy, Activist body Consumer Voice has written to the Food Safety and Standards Authority of India (FSSAI) and the Department of Consumer Affairs, urging them to revise the regulations and labelling guidelines for the entire health drinks category. Besides Bournvita, Hindustan Unilever's Horlicks and Boost and Nestle's Milo are a few other big brands in this category.

After the social-media influencer removed his video that claimed high sugar in Bournvita, an expert jumped into the debate, saying Bournvita's health claims lack proper scientific basis.

Dr Abby Philips, @theliverdr on Twitter, an hepatologist and clinician-scientist working at The Liver Institute, Rajagiri Hospital, Kerala, has argued that the claims of scientific methods or studies and the scientific evidence for everything that is written on the Bournvita product are not backed by good evidence. "Cadbury's claims are misleading on muscle and bone growth, immunity enhancement and brain development – there are no controlled studies to show the same," he claimed.

"Cadburys has made a statement that they have designed the product on scientific basis, which means there has to be published studies backing their claims," he wrote on Twitter, citing several studies critical of Bournvita.

However, Mondelez India has defended its claims. "Every serving of 20 gm of Bournvita has 7.5 grams of added sugar, which is approximately one and a half teaspoons. This is much less than the daily recommended intake limits of sugar for children," said Mondelez India, which also owns popular brands such as Cadbury Dairy Milk, 5 Star, Oreo cookie and Gems.

According to Ashwin Bhadri, the founder and CEO of Equinox Labs, India's leading Food, Water & Air Testing Lab., the company's claims are most likely based on the standards set by BIS.

"Every product that comes into the market has to undergo a test by a NABIL or FSSAI accredited lab. Normally big brands get their products tested by internal labs and by 2-3 external labs so that they are sure about the results. All the standards for this come from the Bureau of Indian Standards," Bhadri told Indiatimes recently. The Bournvita controversy and the social media backlash against the drink that followed shows a lot of people have come to think the nutritional content many big food brands declare on product labels may be legally and technically defensible but not fully reliable. They may not be totally wrong. Two years ago, Nestlé, the world's largest food company and the maker of popular Maggi noodles, had acknowledged that more than 60 per cent of its mainstream food and drinks products do not meet a "recognised definition of health" and that "some of our categories and products will never be 'healthy' no matter how much we renovate", the Financial Times reported.

As if the withering gaze of social media wasn't enough, Bournvita has now got the NCPCR notice. Its health claims will now have to pass through the scanners. High or low, sugar seems to have left a bitter taste of it.

## Paneer costs much more than poultry; here's why

#### APR 26, 2023

https://dairynews7x7.com/no-chickenfeed-this-paneer-costs-much-more-than-poultry-heres-why/



S till on the fence about whether to cook shahi paneer or butter chicken for your weekend dinner party? Before you whip out that recipe book, here's a lesser-known fact that might help you make a decision — paneer, or cottage cheese, is costlier than chicken.

Chicken currently costs around Rs 274 a kg, while paneer is priced at Rs 320 a kg — a difference of nearly Rs 50.

Wholesalers ThePrint spoke to pinned the increased cost of paneer on the rising prices of milk. According to an analysis by ThePrint, the rate of inflation for milk and dairy products has consistently exceeded the rate of inflation for all goods and services in the country over the last 20 months. According to the analysis, the rate of inflation in the 'milk and milk products' category of the Consumer Price Index (CPI) has accelerated nearly every month since July 2021 to February 2023, apart from marginal dips in February 2022 and July 2022. The data also shows that, since October 2022, inflation in milk prices has surpassed the general rate of price rise in the country, and this gap has been widening.

Data from the Reserve Bank of India shows that the CPI for milk and its products had begun to rise in July 2022 (meat: 3.0, dairy: 5.8), and peaked in March this year (meat: -1.42 and milk: 9.31). 'Meat' here includes all kinds of meat and fish.

Meanwhile, data from the Department Of Consumer Affairs shows that the average price of a litre of milk went up to Rs 56.80 on 4 April 2023 from Rs 51.40 on 4 April 2022 — an increase of 10.5 per cent in one year.

A Delhi wholesaler who didn't want to be named told ThePrint that until 2021, paneer was sold at Rs 220 per kg. By January this year, the price had gone up to Rs 290 a kg. In contrast, the CPI for poultry did not increase substantially — to Rs 208/kg in January 2023 from Rs 198/kg in February 2021 — even though the poultry industry continues to grow in India because of changing dietary preferences.

Speaking to ThePrint over phone, R. S. Sodhi, president of the Indian Dairy Association — the apex body for the dairy industry — attributed the rising milk prices to lower production and the gap between demand and supply to the Covid-19 pandemic.

"In the last 15 months, there has been a 14-15 per cent rise in milk prices, whereas in the past 36 months, the increase was only 18-19 per cent," Sodhi, former managing director of Gujarat's Anand Milk Union Limited (Amul), further said.

# How Amul Went On To Become The Largest Dairy In The Country

#### APR 26, 2023

https://dairynews7x7.com/how-amul-went-on-to-become-the-largest-dairy-in-the-country/



Before we gained our independence, milk farmers were frequently exploited. At that time, the large corporation Polson used to purchase milk from them for a low price in Gujarat and then sell it for a high price. The farmers had had enough of it and approached Tribhuvandas Patel, a prominent local figure. Sardar Vallabhbhai Patel and Tribhuvandas met and discussed the issue. Morarji Desai was dispatched to Gujarat to address the issue. Following this, the Kheda District Cooperative Society was established in Anand, close to Ahmedabad, in 1946. Thus the foundation of the biggest dairy firm in India was laid, as Kheda District Cooperative Society later became Amul.

The residents of the Kheda district village began gathering milk and delivering it to the cooperative society. The milk used to solely come from two villages after inception. However, there were 432 of these villages by 1948. Tribhuvandas Patel's work in 1949 allowed Dr Verghese Kurien to enter this field and launch the White Revolution. The cooperative society was looking for a simple name, therefore some individuals proposed Amulya, which is another name for Anmol. The full form of Amul is Anand Milk Union Limited. It is a cooperative society under the Gujarat Co-operative Milk Marketing Federation Limited, Government of Gujarat.

Only 247 litres of milk were collected daily when this cooperative society was founded with just two communities. When there were 432 communities by 1948, the amount of milk had climbed to 5000 litres. After nearly 77 years, Amul now collects 2.63 billion litres of milk daily. There are 36.4 lakh farmers selling milk in the 18600 villages included. Amul's daily revenue is around Rs 150 crore. Even though Amul was moving quickly, Polson was giving it a tough fight. The public enjoyed Polson's butter a lot. The business formerly employed a European process to manufacture its butter. Amul eventually began manufacturing butter with salt as well. Amul Girl was created as a result to market the butter better. Significantly, Polson's packet also featured a young girl. It was created by Sylvester de Cunha for Amul. Amul's utterly Butterly Delicious commercial was so successful that it earned a spot in the Guinness Book of World Records.

# Stability In Milk Prices Only By Oct-Nov 23: R S Sodhi

## APR 26, 2023

https://dairynews7x7.com/stability-in-milk-prices-only-by-october-november-india-dairy-association-chief-onmilk-inflation-milk-import-dairy-industry-growth-more/



The increase in milk prices over the last few months has been the topic of hot discussion in India. The prices of milk have seen a sharp rise of 14 to 15 per cent, which is more than the inflation. Milk inflation has been the second largest factor (after cereals) in driving up retail inflation in January and February. Milk prices surged by 9.3 per cent on-year, shows the March CPI (consumer price index) data. And while cereal prices will hopefully ease; milk prices are seen getting higher.

In an interview with Outlook Business, RS Sodhi, current President of the Indian Dairy Association and former MD of Gujarat Cooperative Milk Marketing Federation (its flagship brand is Amul) said that he does not foresee any reduction in milk prices until Diwali, which is typically celebrated in October or November. He explained that it is only around this time that we may see price stability in the market.

What Is The Biggest Challenge For India's Dairy Sector Currently?

India's dairy sector is facing a lot of challenges and if we look at the growth rate, it is the best as per agriculture produce. The statistics suggest that in every 25 years our milk production multiplies three times. The biggest challenge is to maintain a constant growth rate for the next 25 years. In 2047, when India will be celebrating 'Amrit Varsha', we will be needing 628 million metric tonnes of milk and to achieve that growth we need to ideate now.

How Can We Maintain A Steady Growth In Dairy Industry?

There are two important stake holders in the dairy industry, one is farmers, and the other is the consumer. All we need to do is keep a balance of production, supply and demand. The farmers continue to produce more milk, while the consumers continue to receive healthy milk product at an affordable price. Currently the consumer is spending a lot in branded and organised food, the sector is growing, and at this scale if both the parties are happy only then can we have a 3X growth in the next 25 years. If farmers don't receive stable price for their produced milk, they won't be happy to invest in dairy farming and can divert their resource to something else. Taking about the consumption of milk, we are leading in the world. Earlier, the scale of use was 220 gram per person, now its 440 gram per person. In every 25 years, the production is growing 3X, while the consumption is growing 2X, despite the growth in population.

Do You Want The Central Government To Allocate Subsidies For Dairy Industry?

No, no we don't need it. Dairy plays a very important role in Indian household and so animal husbandry-dairy play equivalent role in rural India. What we need to see is how central government is handling this sector. How much resource is getting allocated for this industry?

Currently, more resource is allocated to the agriculture wing; be it subsidiary in fertilisers or resources in cultivation. But there are no subsidies or special allocations for dairy industry. All we require is a better infrastructure for the dairy farmers, this can provide livelihood to the farmers, and it will turn out to be very economical for the government as well. If we focus on local production, invest more in infrastructure for dairy farmers, we don't require any subsidy, this will be enough for the farmers to increase productivity and growth in this industry. Are You In Favour Of The Idea Of Importing Milk? As a part and plan of 'Aatmanirbharta', we need to increase local production of milk and milk products rather than focusing on cheap imports. Let's not follow the mistake of cheap oil imports. If we plan to import milk, no farmers will be interested in producing milk in India.

The central government has also clarified that they have taken no action in import of dairy product, they have just given caution that if there is drastic drop in production of milk, then for a short span, small quantity of milk and its commodities will be considered for import, and it will be sold at the in-house produce price.

What Is Causing The Price Inflation In Milk? To understand the milk inflation, we need to focus on Covid duration in dairy industry. The milk production was not hampered in early days of lockdown, the consumption was also stable, but the HoReCa (hotel / restaurant / catering) segment consumption reduced drastically, which led to rise in production of milk commodities. Rise in milk commodities resulted in price decline for both commodities as well as the price paid for milk to the farmers. Lockdown also restricted the movement of fodder, artificial insemination in dairy animals, movement of dairy animals also got restricted, then lumpy skin disease came in, all of this resulted in less investment by farmers in dairy, leading to less production.

When HoReCa segment opened-up, the demand increased suddenly, resulting in a demand-supply pull, leading to dairy inflation. There may be better procurement in March and April, but it will not reduce the price as in summer season milk and milk products consumption increases, in form of ice cream, butter milk, dahi, chaach etc. The milk prices will not decrease even if there is an increase in production after Diwali and Dussehra. This is because the input costs have continued to rise. In India the inflation rate for milk has been around 8-9 per cent, while international milk inflation has ranged from 20-40 per cent, this indicates that the milk inflation in India is significantly lower than the global average.

How Much Investment You Suggest Is Needed For The Growth Of The Dairy Industry?

Dairy and animal husbandry is contributing to 30 per cent of the GDP. Though the present budget has increased allocation for dairy industry by 50 per cent, it cannot be considered enough for the industry. We need to include dairy in agriculture definition, like in income tax and concessions like loan. Then, we need to gradually increase the allocation in animal husbandry and dairy industry. Do You Think That Opposition To RCEP (Regional Comprehensive Economic Partnership) By Indian Farm Bodies Was Justified?

It was 100 per cent justified. More and more countries are becoming self-sufficient, and the import statistic will justify it. Sri Lanka situation is the best example for this. We must become self-sufficient, even on the point of food security, self-reliant in food, so RCEP was the timeliest decision by Indian government, and we are realising the benefit of it.

# Nestle India posts 25% jump in Q1 profit

APR 26, 2023

https://dairynews7x7.com/nestle-india-posts-25-jump-in-q1-profit/



India was a bright spot for global consumer goods major Nestle in the March quarter, reporting a 24.7% year-on-year growth in consolidated net profit to Rs 737 crore, while consolidated revenue rose 21% for the period versus last year to Rs 4,831 crore. The results beat Street estimates by a wide margin, with a poll of analysts by Bloomberg pegging net profit and revenue for the March quarter at Rs 671 crore and Rs 4,366 crore each. Nestle follows a January-December accounting year.

India's strong performance came as the Swiss major's global sales volume dipped for the January-March period, with the KitKat maker's candy business being the only sweet spot. Confectionary sales volumes — which Nestle calls real internal growth — increased by about 6% even as most other units' sales declined for the period. Globally, Nestle hiked prices sharply by 7.6% to drive organic confectionary sales by 13.5%, its results showed.

India clearly bucked this trend, with the company seeing broad-based growth across its business segments, including confectionary (which includes KitKat and Munch), beverages (driven by Nescafe), prepared dishes and cooking aids (led by Maggi) and milk products and nutrition.

In a post-results earnings' call on Tuesday, Nestle CEO Mark Schneider lauded the performance of South Asia, which includes India, saying it recorded strong double-digit growth across most categories. Growth, he said, was supported by distribution expansion in rural areas, e-commerce momentum and increased focus on premiumisation. Nestle India's earnings before interest tax depreciation and amortisation (Ebitda) grew nearly 20% year-on-year to Rs 1,129 crore for the March quarter, also beating Bloomberg consensus estimates for the period, which had pegged operating profit (Ebitda) at Rs 1,020 crore.

The uptick seen in operating and net profit for the quarter under review came as inflationary pressures eased in commodities such as edible oils and wheat and packaging material, the company said. However, the Maggi maker said nearterm challenges included the cost of fresh milk, fuel, and green coffee which were expected to remain firm because of continued increase in demand and price volatility.

"I am pleased to share that we have continued to deliver robust sales growth this quarter, which is a healthy balance of pricing, volume, and mix," Suresh Narayanan, chairman & MD, Nestle India, said, adding that this was the highest growth for the company in a quarter in the last 10 years, excluding an exceptional quarter in 2016 which was off a low base in 2015.

"Confectionery led by KitKat, and Munch posted strong growth, supported by consumer-led campaigns, innovation and engagement. While beverages saw robust growth and market share gains led by Nescafe and growth momentum in prepared dishes and cooking aids (which includes Maggi) was aided by market presence, media campaigns and focused consumer activations," Narayanan said.

Nestle's out-of-home (OOH) channel also continued to accelerate rapidly in the quarter under review, while e-commerce, organised trade and exports saw strong growth during the period.

"Our performance in e-commerce continued with significant growth in quick commerce. We accelerated our sustained growth journey in RURBAN (Rural+Urban), which was complemented by strong momentum in metro and mega cities. Rural growth was also strong, secular and robust, being volume-led, which gives greater confidence and impetus to our efforts to enhance our footprint," Narayanan said. On April 12, Nestle had declared an interim divi-

dend of Rs 27 per share. This will be paid on and from May 8 along with the final dividend for 2022, which is Rs 75 per share, the company said. The Nestle India stock closed trade flat on the BSE at Rs 20,663 per share on Tuesday, even as the broader BSE Sensex was marginally up at 0.12% versus the previous day's close to 60,130.71. In the last one year, Nestle has outperformed the market with a healthy return of around 14%, BSE data shows.

# Ice creams fly off shelves as cruel summer beats down

#### APR 26, 2023

https://dairynews7x7.com/many-takers-ice-creams-fly-off-shelves-as-cruel-summer-beats-down/



ce cream makers are betting big on omnichannel sales with offerings spanning mass, mass premium, and premium categories even as they are hopeful of clocking 15-20% growth in sales this summer.

The sweltering heat amid rising mercury levels has led to increased demand in several regions across the country, particularly southern India. With temperatures expected to rise further, companies are upbeat about good summer sales across the country.

According to industry insiders, there has been a spurt in sales across all channels including ice cream parlours, general and modern trade as well as online platforms.

"Summer is always peak season for the ice cream industry in terms of consumer demand and this year is no exception. With rising temperatures, we are witnessing a fantastic increase in footfall across our parlours in the country, across our general trade and modern trade accounts as well as on all our online platforms," Mohit Khattar, CEO, Graviss Foods Pvt Ltd-Baskin Robbins, told BusinessLine.

Anticipating a surge in demand, the company had stepped up its stock levels across the country, ensured that its manufacturing facility is running at top capacity, and that its sales and logistics teams are able to fulfil orders from distributors and franchisee partners across 239 cities. Baskin Robbins has introduced over 17 new products for its parlour channel this year.

"So far, our teams seem to be coping well and are well placed to leverage the opportunity provided by the intense summer," he said. Billion-dollar market

According to a recent report by Wazir Advisors, the ice cream market in India, which includes both organised and unorganised players, is currently valued at \$3.4 billion and projected to reach \$5.4 billion by FY25, at a CAGR of around 17 per cent over the next three years.

Some of the key factors driving the growth include the rising presence of international brands and expansion of domestic brands; leading food chains like McDonald's, Burger King, and KFC are adding soft serve to their menus, resulting in increased sales and an overall improvement in the country's cold-chain storage infrastructure in recent years.

According to Manish Bandlish, Managing Director, Mother dairy, this season looks "promising" and the company expects its ice creams category to grow by over 20 per cent vis-à-vis last year. Keventer Agro, which sells ice creams under the brand Metro, catering largely to the "value" segment of the market, has been witnessing a surge in demand across West Bengal, especially from the districts of Nadia and Hooghly.

"We are seeing an increased demand in cone and blocks and are currently growing at 10-12 per cent in cones and sticks segments," said Sanjay Dua, Head of Ice Cream Business, Keventer Agro.

# World's largest producer of milk hits a dry patch APR 26, 2023

https://dairynews7x7.com/worlds-largest-producer-of-milk-hits-a-dry-patch/

In March 2022, a full-cream packet of Amul milk cost ₹60/litre. The one-litre pouch now costs ₹66. Since 2021, milk prices in India have been on a boil. Prices have been hiked across brands and the recent hike in February 2023 was Amul's fifth increase since 2021. In April 2023, the average price for a litre of milk in India was ₹57, which is about 12% higher than ₹51 in April 2022. The average milk price is the highest in Lucknow and Guwahati at ₹66/litre and ₹65/litre, respectively. Southern cities such as Bengaluru and Chennai have relatively lower milk prices.

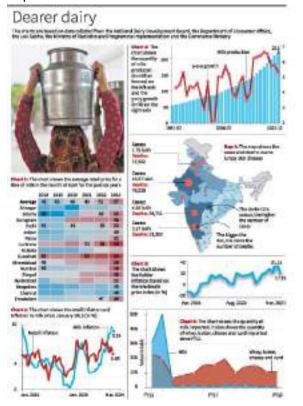
In the past year, Ernakulam saw the highest rise in milk prices at 19%, followed by Mumbai, Lucknow and Jaipur which saw over 10% rise. Chart 1 shows the average retail price for a litre of milk in the month of April for the past six years.

The Central Bank's monetary policy committee, which met in the first week of April, said in a statement that high inflation in milk was one of the reasons driving retail inflation. While retail inflation slowed to 5.66% in March, milk inflation continued to tread higher. In the same month, milk inflation was at 9.24%, close to the levels last seen in February 2015. Chart 2 shows the retail inflation and inflation in milk (liquid, litre) since January 2015.

At the same time, there have been concerns over the country's stagnant milk production in FY23. On April 5, Secretary for Animal Husbandry and Dairying Rajesh Kumar Singh said the country was facing stagnation and that the government would consider all options, including the import of butter and ghee if the situation remained unchanged.

However, days later, the Union Minister for Animal Husbandry and Dairying Parshottam Rupala contradicted him and ruled out stagnation in milk production and the government's decision to consider import of butter and ghee. In FY22, India produced 221 million tonnes of milk, about 5.3% higher than in FY21. While there has been a rise in the absolute quantity of milk produced, the y-o-y growth has slowed. It peaked at 6.6% in FY18. Chart 3 shows the milk produced (in million tonnes) and the y-o-y growth.

According to Mr. Singh, the country's milk production in FY23 would either be stagnant or grow at 1%-2%. Multiple factors have resulted in the stagnation of the country's milk production. Initially, dairy farmers faced a demand slump due to COVID-19. As demand recovered, the outbreak of lumpy skin disease hit the cattle and buffalo herd, resulting in lower milk yields. High prices of fodder have also raised the cost of production.



According to an answer in the Lok Sabha, 32.8 lakh cattle were affected by the disease and 1.86 lakh succumbed to the disease. Rajasthan, the second largest producer of milk, saw the highest number of cases and cattle deaths. Close to 50% or 15 lakh cases and 76,000 cattle deaths were reported in Rajasthan, as shown in Map 4. While the fodder inflation based on the wholesale price index eased to 17.13% in March, the figure has remained in double digits for 14 months now, as shown in Chart 5. Finally, coming to Mr. Singh's remarks about the possibility of import of dairy products, it must be noted that India is the largest producer of milk in the world and accounts for 24% of the milk produced worldwide. As shown in Chart 6, India last imported a significant quantity of milk in FY12. Since then, milk imports have slumped. While India continues to import whey, butter, cheese and curd in relatively higher quantities, the share of milk in India's import basket is significantly lower.

### Dairy Has A Special Role In Making Women Self-Reliant: Murmu APR 25, 2023

https://dairynews7x7.com/dairy-has-a-special-role-in-making-women-self-reliant-murmu/



herefore, there is a need to provide them with more opportunities in education, training and skill development. Women should also be provided easy loans and market access to set up ventures in the dairy sector, Murmu said.

President Droupadi Murmu on Monday said the dairy sector has a special role in making women self-reliant and changing their social and economic status. Addressing the convocation function of the Indian Council of Agricultural Research-National Dairy Research Institute (ICAR-NDRI) here, Murmu said women have over 70 per cent participation in the dairy sector and should be provided easy loans and market access to set up new ventures.

Murmu said women power plays an important role in the dairy industry in India. "The dairy sector has a special role in making women self-reliant as well as in changing their social and economic status," she said.

Therefore, there is a need to provide them with more opportunities in education, training and skill development. Women should also be provided easy loans and market access to set up ventures in the dairy sector, she said.

During the program Ex Director NDRI and also alumuni from the same institute Dr BN Mathur was awarded with Honoris causa during the convocation by the President of India Ms Murmu. It was for his life long contribution to Research and development in the field of dairy technology at NDRI Karnal.

Congratulating the students who received degrees and medals at the convocation function, the President said it is a matter of great pleasure that more than one-third of the students who received their degrees are girls and 50 per cent of those who received gold medals are also girls.

At the function, 544 students received their degrees. Due to the increasing population of the country, Murmu said, the demand for milk products is increasing. "The dairy sector is facing challenges like the availability of good quality fodder, change in weather due to climate change and livestock diseases. Making milk production and dairy farming sustainable is a challenge before us.

"It is the responsibility of all of us to develop the dairy industry by adopting environment-friendly and climate-smart technologies, keeping animal welfare in mind," she said. The President said she was happy to learn that the NDRI is promoting various technologies to reduce greenhouse gas emissions from dairy farms and focusing on clean energy sources like biogas production.

"The farmers of Punjab and Haryana played a special role in the success of the green revolution as well as the white revolution. I salute all the farmers," she said. Milk and milk products have always been an integral part of Indian food and culture. Along with mother's milk, cow's milk is also considered the nectar of health, she said.

Cows and other livestock have been an integral part of the Indian society and traditions, she added. Murmu said the dairy industry also plays an important role in ensuring the food and nutritional security of India. It is a matter of pride that India is the largest milk producing country in the world and accounts for nearly 22 per cent of the global milk production, she said.

"The dairy sector contributes about 5 per cent to the country's GDP and provides livelihood to about eight crore families in India. Hence, institutions like ICAR-NDRI have an important role to play in the inclusive development of the country," she said. The NDRI, established in 1923, has made a significant contribution to the development of the dairy industry in India, she said.

Noting that the NDRI has developed a technology to produce clones of high milk yielding buffaloes and cows, she said this would increase the milk production capacity of the animals and enhance the farmers' income. Murmu urged the students to always try to learn new things and work for the welfare of the people.

"I want some of you to become job creators and entrepreneurs in the dairy industry," she said. Haryana Governor Bandaru Dattatreya, Chief Minister Manohar Lal Khattar, Union Agriculture Minister Narendra Singh Tomar and Union Minister Parshottam Rupala also attended the function.

### Buying Amul not against Karnataka': FM Nirmala Sitharaman

### APR 24, 2023

https://dairynews7x7.com/buying-amul-not-against-karnataka-fm-nirmala-sitharaman-on-amul-nandini-contro-versy/



Union Finance Minister Nirmala Sitharaman spoke out on the recent controversy surrounding the entry of Amul into Karnataka, stating that the accusations of bringing in Amul to kill Nandini were "brazen." Speaking at the Thinkers Forum in Karnataka, Sitharaman alleged that the issue had been tweaked and twisted for political gain during the upcoming Assembly polls in the state.

Sitharaman highlighted that every state in India has its own milk cooperative, and Karnataka's Nandini is a well-known and respected brand. However, she also pointed out that she purchases Amul products when in Delhi if Nandini is not available, stating that this does not mean she is against Karnataka.

She emphasized the importance of healthy competition, which has led to India becoming the world's largest milk producer. Sitharaman argued that the focus should be on strengthening India in every aspect, rather than creating political issues around the dairy industry.

"In India's scheme of things, every state has its own milk cooperative. Karnataka's Nandini – whoever doesn't recognise it? Even now as I've come, I had Nandini milk, curd, peda... Of course in Delhi I'll buy Amul. I represent Karnataka (but) in Delhi, if Nandini isn't available, I'm mentally not a sanyasi to say I won't drink milk if Nandini isn't available. I still buy Amul. That's not being against Karnataka," Sitharaman said.

Sitharaman gave credit to former Karnataka Chief Minister B S Yediyurappa's government for raising the procurement price of milk for the first time, with subsequent governments also increasing it. She also highlighted the many facilities provided by the Centre for farmers and those engaged in animal husbandry.

"Amul entered Karnataka when there was a Congress government here. I'm not sure I should name the Chief Minister at that time. The same respected former CM is now questioning Amul's entry. It was in his time Amul entered North Karnataka for marketing in those areas," she added. The Minister's comments come amidst accusations by the Karnataka Milk Federation (KMF) that the entry of Amul into the state would harm the local dairy industry. The KMF sells milk, curd, and other dairy products under the Nandini brand, which is a household name in the state.

"This, strictly speaking, is tweaked, twisted and made an emotional issue because it is election time," she alleged, adding that "instead of building a healthy competition and a positive narrative" the issue was twisted, "and our farmers and women need not be brought into a political issue".

Sitharaman argued that the entry of Amul into Karnataka was not a threat to Nandini and that the focus should be on building healthy competition rather than creating a negative narrative. She stressed that strengthening Nandini and supporting dairy farmers in Karnataka would continue to be a priority.

# Sudha milk to get dearer by Rs 3 per litre from April 24 in Bihar

## APR 24, 2023

https://dairynews7x7.com/sudha-milk-to-get-dearer-by-rs-3-per-litre-from-april-24-in-bihar/



onsumers in Bihar will have to pay more for Sudha milk from April 24 as the Bihar State Milk Cooperative Federation Limited (Comfed) has decided to hike milk prices. The new rates, which have already been implemented, will affect all types of milk and will see an increase of Rs 2 to Rs 3 per litre.

Bihar State Milk Cooperative Federation Limited (Comfed), which sells milk and dairy products under the Sudha brand, argued that milk producers needed to be paid more and thus decided to hike milk prices.

Notably, this is the second time in the last six months that the price of Sudha milk has been increased in Bihar, with Comfed having previously raised prices in October 2022.

SUDHA MILK NEW RATES

The milk price has been increased as there is a hike in retailers' margin from Rs 1.75 per litre to Rs 1.95 per litre, said Comfed officials.

After the latest revision, the price of Sudha full cream milk will now be Rs 62 instead of Rs 59 while toned milk will cost Rs 49 per litre. Sudha cow milk will now be available at Rs 52 per litre.

BIHAR STATE	MILK CO-OPERATIVE मिल्क को-ऑपरेटिक	FEDERATION LTD. r फेडरेजन लिक ann: ৭০/০০%
	DIVICE ONDER	
to commendation of the fit	MV this linecare of all sarants of manin converting. The comprises and	frankly fors accorded agarovat
t. In order the lat	air and retailer margin of all same	area of mills in Silver w.s.f.

	Existing MEP mar.1.11.10.3023		Augenment MRP	
	Mangin/Ur (in Ro.)	-	Retator Margin/Lor (In Re.)	-
COMPANY AND AND	1.75	10.00	1.99	85.00
NOM USED MIL	3.75	55.00	1.95	63.00
SHIARTI SHE ME	3.00	38.00	1.95	24.00
EMARTE LODG MEL	1.25	53.00	1.99	54.06
DOW MILK DOD ML	1.15	25.00	1.95	31.00
COWMER 1808 ML	1.75	48.00	8.00	51.08
TIDARS HALF SOD ME.	1.78	36.00	8.95	24.00
TORED NOLE LOOD ML	1.75	46.00	1.01	41.00
OTM SOO ME.	1.75	11.00	3.85	24.68
DITHE HODE AVE.	1.79	48.00	1.95	41.00
TEA BRICIAL SUO MAL	1.19	23.00	1.89	21.00
TEA IPECIAL 1800 ML	5.75	45.40	1.95	41.00
OTH 100 ML	8.76	9.00	6.85	10.00

Over the last few years, the price of Sudha milk has been on a continuous upward trend, leaving consumers to bear the brunt of expensive milk. Comfed had last increased milk prices on October 10, 2022.

# Village in Madhya Pradesh gives out dairy products free

APR 24, 2023

https://dairynews7x7.com/village-in-madhya-pradesh-gives-out-dairy-products-free/



wo good quality cows can give up to 40 litres of milk daily. One litre of full cream milk costs around Rs 60 in Bhopal, which translates into a daily maximum income of Rs 2,400/daily. Despite rising inflation, the residents of Chudiya in Betul district of Madhya Pradesh have been letting go of this potential earning of Rs 72,000 a month.

By doing so, people claim they are fulfilling a promise they believe their ancestors had given to Chindhiya Sadhu for lifting the curse of cholera from the village. No documents are available to show the life and times of the revered monk, but villager Babulal Yadav says his brother's great-grandson, Tukdu Maharaj, still lives in the village. People believe that Chindhiya Sadhu lived in the 18th century by taking note that Maharaj is an octogenarian.

"The villagers had made a promise to never trade in milk, buttermilk and curd. We have been following this for five generations now. We distribute all of it for free," Gorelal Yadav (80) tells 101Reporters.

While many a home budget has been buckled keeping up with the persistently high inflation, the 400 households of Chudiya follow their ageold tradition. "Over 90% of the families here are into agriculture. Most households have anywhere between two to 10 cows. A farmer will spend Rs 50 to 100 daily on a cow. For milch cows, this will go up to Rs 200, excluding fodder. Hiring labourers to clean the place where animals are kept, running a motor pump to meet their water requirements, and medical care are among the main expenses," says Ramkishore Yadav.



Yashwant Yadav, another villager, adds that expenses went up to Rs 500 per cattle, including the cost of vaccination and preventive medicines, during the Lumpy Skin Disease outbreak. "Earlier, cattle were set free on fallow pastures for grazing. As more and more land has been diverted for agriculture, they have to be tied up and fodder arranged," says Ramkishore. Bhujlal Yadav (75) claims that every villager follows the tradition willingly. "Be it good or bad days, we manage our expenses based on the situation... Selling milk is never in our calculation."

A two-day annual fair is organised on Kartik Purnima in honour of Chindhiya Sadhu, with his tomb as the centre of attraction. Puris and halwa made from Chudiya ghee draw a large crowd to the bhandara (community feast) on both days. The villagers also maintain an eternal flame running on ghee in honour of the monk.



Not just the elders, even the youth stand by this tradition. "I got to know about the sadhu from my grandparents. He took the oath of celibacy, lived an ascetic life and helped our village... and in return, he took a small oath from us. There is no question of not following it," says Aryan Yadav, a village youth.

Chudiya villagers welcome with open arms any person who needs milk, curd or buttermilk. Of course, the distribution is free!

"Chudiya is about 25 km from my village. Whenever there is a big event in our family or village, we get buttermilk from there. We inform them ahead of schedule in case of a big order, and they will keep the buttermilk ready for us. No one takes money even if you offer a token amount as a goodwill gesture," says Sevak Yadav, a farmer and social worker of Lakkadjam.

"This tradition allows us to do public service. The cost factor does not apply. Our buttermilk is famous, especially at weddings," beams Yashwant. If there is no demand for milk, the villagers turn it into curd and buttermilk for domestic use and make ghee from it. The ghee, however, does not fall under the ambit of the 'promise'. "We sell it under the label 'Chudiya Ka Ghee' for Rs 600 per litre. We do not make much profit, but there is no loss," says Ranjan Yadav. The villagers do not have to go out to sell ghee, as prospective buyers from Betul district headquarters, Chicholi block headquarters and Sarni town reach out to them.

"For the residents, the sage is still alive. His invisible power ensures our welfare. Had our ancestors given him the promise of not trading in ghee, that would not have happened," says Ramkishore, when asked why ghee was an exception.

Though it is a noble act, the distribution of free milk makes a little more sense when one considers the village's income profile. The 4,000 residents of Chudiya belong to Gawli, Thakur, and tribal communities. The region's fertile black soil helps them grow wheat and vegetables and sell them at Chicholi, located 5 km away, during the Tuesday weekly markets. A canal from the Godhna dam brings water to their farms.

"Farmers get cattle fodder from the land. In return, cows provide manure for farm work. Some households have cow dung-based biogas plants running. The milk that cows provide nourishes the children of the households. We get everything from our cows," says Gorelal.

Every household has at least one two-wheeler and tractor each. Every tenth house has a fourwheeler. Almost 90% of the families have pucca houses. In addition, the younger generations are migrating to Bhopal, Indore, Pune, Delhi, Nagpur and other places for studies and for earning white-collar jobs.

## If Amul make Mysore pak then we will make Shrikhand

### APR 23, 2023

https://dairynews7x7.com/if-amul-make-mysore-pak-then-we-will-make-shrikhand/



B ommai said Amul reached its peak in Karnataka when Siddaramaiah was the chief minister but then he could not see the danger.

"Nobody speaks on this aspect with confidence like I am saying. The reason is when Siddaramaiah was the chief minister here, the milk production and the production of milk products were 64 lakh litres only. During my time, it has gone to 84 lakh (litre). Shortly, we are going to overtake Amul. Nandini has got all the products that Amul has. If Amul tries to make Mysore Pak, we will make Shrikhand of Gujarat. So we are not going to sit quiet," Bommai said. Calling the controversy a political bogey, Bommai said, "Amul was at its peak during Siddaramaiah's time. He did not see the danger to Nandini then. Nandini is very strong and it needs not be afraid of any brand. There are at least 25 brands entering Karnataka from Andhra Pradesh, Telangana and Maharashtra. Nandini is growing every day. I have sanctioned two megadairies for Nandini. These people see politics in milk, water air. That's the desperation."

Just ahead of the election, Amul vs Nandini became a major issue with the opposition accusing the government of allowing Amul to sell fresh milk and curd in Bengaluru. The BJP dismissed the charge and said Amul has been there in the state all along. When Rahul Gandhi visited Karnataka, he visited a Nandini store and had ice cream there. "Karnataka's Pride – NANDINI is the best!" he wrote.

Before Bommai, Congress leader Siddaramaiah at the same platform said that if he becomes the

chief minister, he would ask people to not buy Amul milk. "Amul should stick to its present consumer base. By entering Karnataka, it is trying to cause injustice to the local farmers. That's why we will oppose the entry of Amul. If I become the CM, I will ask people not to buy Amul milk," Siddaramaiah said. Bengaluru MP Tejasvi Surya reacted to Siddaramaiah's statement and said, "But what he doesn't say is that it was he who was the CM when Amul first entered Karnataka in 2017! For how long will Congress keep pitting one state vs another, one language vs another, one caste against another? Karnataka will reject this divisive politics on May 10th."

# K Rathnam: The Expansion Of Dairy Industry In Nutraceuticals

APR 22, 2023

https://dairynews7x7.com/k-rathnam-the-expansion-of-dairy-industry-in-nutraceuticals/



he increased availability of dairy products has resulted in significant changes in the consumption patterns of Indian consumers over time. Milk comes in a variety of varieties based on its composition or content. It has always been regarded as a whole food or a food with naturally functional properties. It's versatility has expanded to nutraceuticals. K Rathnam, the CEO of Milky Mist and dairy industry expert advocates the growth of dairy industry and its various benefits to people.

As consumer awareness grows, there is an increase in demand for low fat milk and milk products such as skimmed, low fat, and double toned milk. It is highly processed to obtain these healthy variants, during which essential elements from milk are lost, necessitating the need to fortify milk with the lost nutrients. Aside from these, another trend is dairy products with a longer shelf life. "Many new segments in the nutrition and wellness sector are emerging in nutraceuticals. Dairy-based nutraceuticals are one such segment. Milk's macro and micro components have the potential to be nutraceuticals in and of themselves," notes K Rathnam Milky Mist CEO. As a result of increased awareness, dairy benefits are more understandable to the average consumer, and dairy products are more affordable, even when they include value-added benefits.

In India, the dairy nutraceuticals market is in its infancy. Whereas Japan is the world's most advanced market for dairy nutraceutical products, with nutraceutical dairy products accounting for up to 44% of the total dairy market. Ingredients provide a variety of health benefits, and many of them have nutraceutical potential. Based on dairy ingredients and their nutraceutical properties, the dairy nutraceuticals market is divided into major categories.

Many dairy ingredients with nutraceutical properties are already in commercial use. Whey proteins are dairy ingredients with commercial applications. Dairy whey proteins are widely used in the sports nutrition market. In India, sales of sports nutrition products, primarily based on whey proteins, have significantly increased. "With an increase in fitness and health-consciousness, this category is expected to grow exponentially in the coming years. Whey protein has applications other than sports nutrition, such as dry blends, infant formula, dairy applications, and other nutraceutical-pharmaceutical applications," says K Rathnam, the CEO of Milky Mist.

"Consequently, with the increasing awareness about probiotics, the consumption of yogurt has increased widely. Not only yoghurt, but also consumption of various other related products, has increased, owing to widespread consumer acceptance of packaged yoghurt and frozen yoghurt products that meet consumers' lifestyle and convenience needs," says K Rathnam, the CEO of Milky Mist. The voghurt industry in India is expected to grow at a CAGR of 40-45% in the coming years. Additionally, milk is used to transport various bioactive components or other functional ingredients. Milk-based beverages and yogurt-based products are used as vehicles to deliver non-dairy bioactives such as phytosterols and Omega-3 fatty acids. A recent advancement in this field is the use of milk proteins as bioactive encapsulation and delivery vehicles in functional foods.

Moving forward, consumers' use of food supplements has increased in recent years. The food supplements market is critical for the dairy ingredients industry because dairy ingredients are increasingly being used in food supplements. Whey proteins, alpha-lactalbumin, lactoferrin in blends, ß-lactoglobulin in high blood pressure products, cGMP in appetite regulation, and IgG supplement to antibodies are examples. "Medical foods are foods that have been specially formulated and are intended for the dietary management of a disease that has unique nutritional needs that cannot be met by a standard diet alone," says K Rathnam, the CEO of Milky Mist. Milk is widely used for a variety of clinical conditions, such as premature infants or infants with special inborn metabolic errors, among others. In conclusion, K Rathnam mentions that the dairy nutraceuticals industry is on the rise. It requires a business model in order to grow sustainably. Understanding consumer demand and developing an effective marketing network will undoubtedly aid this industry's growth.

### Government wants you to ditch oil for ghee

### APR 22, 2023

https://dairynews7x7.com/government-wants-you-to-ditch-oil-for-ghee-and-the-reason-isnt-just-health/



he Union Government is looking to promote use of ghee as a cooking medium, to replace the use of palm oil and other edible oils, and the reason is not just health. Government sources have told CNBC TV18 that use of more ghee as a cooking medium will not just save foreign exchange by saving on edible oil imports, but will also benefit India's dairy industry by allowing it to get rid of compulsory conversion of excess milk to milk powder and butter.

With the government envisaging 700 MT milk production per year by 2047, it is targeting an increase in per capita milk availability of 444 millilitres per Indian today to 1 litre milk per person per day by 2047.

Though India's milk production has risen in the past decade, with the average productivity of milch animals rising from 1,648 kg per animal per year in 2013-14 to around 2,000 kg per animal

per year, government sources pointed out that the production stagnated in the previous financial year due to lesser spend on animals, issues relating to fodder and the incidence of lumpy cow disease in cattle.

However, government sources assured that milk production won't be impacted any further due to the lumpy cow disease as 36 million new cows are being added to India every year.

Milk production season in India experiences a lean phase in summers when most milch animals are "dry". Due to higher milk procurement and lower sales in the past 3 years, the cooperative sector has resorted to large scale conversion of milk into high shelf-life products like milk powder, white butter and UHT (ultra-high temperature) processing milk.

Higher availability of milk and reduced demand coupled with low export opportunity has resulted in piling up of huge stocks of Skimmed Milk Powder (SMP) and butter, which blocked funds and shrunk payments to several dairy farmers.

The Department of Dairy and Animal Husbandry had introduced SDC & FPO (Supporting State Dairy Cooperatives & Farmer Producer Organizations) scheme, which provided 2 percent interest subvention on working capital loan to cooperatives and milk producers, with an additional 2 percent for prompt repayment. Government data has revealed that a release of interest subvention worth Rs 100 crores to cooperatives and milk unions resulted in an increased credit flow of Rs 8000 crores as working capital loan to the sector.

While welcoming the government's move, State General Secretary (Punjab) of the Bharatiya Kisan Union (Dakaunda), Jagmohan Singh is of the view that subsidies should be aimed only at farmers with land holdings of less than 5 acres for effective transfer of benefits.

### Milma vs Nandini: Consumers must benefit in dairy war

APR 20, 2023

https://dairynews7x7.com/milma-vs-nandini-consumers-must-benefit-in-dairy-war/



wo dairy wars are happening in two southern states—Kerala and Karnataka—involving three dominant milk cooperatives. Nandini, a brand owned by the Karnataka Milk Federation (KMF), is facing a threat from Amul, owned by the Gujarat Cooperative Milk Marketing Federation, in its home state. The Karnataka-based cooperative is accused of encroaching into the market territory of neighbouring Kerala and violating the principles of federalism by the Kerala Cooperative Milk Marketing Federation (KCMMF), which owns the brand Milma. KCMMF criticised KMF for opening its outlets in Kerala, claiming it violated the dairy sector's cooperative spirit.

The warring state-run milk cooperatives do not disclose that milk is in short supply in the country and is becoming increasingly expensive for the average citizen. Prices have surged over 15% in the past year, prompting India, the world's largest milk producer, to look at importing some dairy products as milk output has remained more or less stagnant. The total production stood at 221 million tonnes in 2021–22 and fell to 208 million tonnes last year. While the ongoing dairy wars should be seen in the context of falling production, let's analyse who stands to gain and lose.

The milk trade has two main players: consumers and milk farmers/producers. The entry of additional aggregators and processors will benefit farmers, and competition among processors will enhance the value proposition for consumers by making available quality products at reasonable price levels. Regionalism to ward off competition is not new in the market, but it is better served when supply is abundant. If Nandini had surplus milk in its home state and dumped it at a lower rate in Kerala, it would hurt the latter's milk sector. However, Kerala is already a milk-importing state. Moreover, since transporting milk over long distances is not economically feasible, Nandini and Amul will likely focus on selling valueadded and premium milk products in other states to improve margins, rather than plain vanilla milk, an essential commodity and very price-sensitive. The entry of Amul, Nandini and even Aavin (from Tamil Nadu) will force Milma to stay competitive and improve its quality and efficiency. Let the market decide who survives and who doesn't. Why should consumers bear the cost of protectionism?

### Amul Vs Nandini: Don't let politics stoke market sub-nationalism

APR 20, 2023

https://dairynews7x7.com/amul-vs-nandini-dont-let-politics-stoke-market-sub-nationalism/

lists have been waved in poll-bound Karnataka, where opposition parties like the Congress and Janata Dal (Secular) have joined pro-Kannada groups in attacking the state's Bharatiya Janata Party (BJP) government for letting Gujarat's Amul sell milk and other dairy products there. This, they allege, poses a threat to Nandini, a brand operated by the state's farmer cooperative, the Karnataka Milk Federation. Even allegations of plans to merge Nandini with Amul are being made, fuelling local protests and boycott calls against Amul as part of a 'save Nandini' campaign. Things have gotten so bitter that Jayen Mehta, managing director of Gujarat Cooperative Milk Marketing Federation, which runs Amul, has had to explain the brand's intentions. Mehta said Amul plans to work with Nandini and not compete against it. This suggests it may seek to scale up its existing association with Nandini, whose resources it uses for Amul ice-cream made in Bengaluru. Mehta also spoke of a plan of selling milk via e-commerce platforms, which could leave Nandini to dominate other channels (as it has long done). But the issue is still on high-flame, with too much politics in the cauldron for all this froth over nothing to settle yet.

Congress leader Rahul Gandhi threw his weight behind his party's position by visiting a Nandini parlour, where he proclaimed the brand to be Karnataka's pride and "the best!" Ironically, like the protests Amul is facing in Karnataka, Nandini features in some discontent among dairy farmers in Kerala. As Gandhi was elected in 2019 to the Lok Sabha from this adjoining state, the BJP has been quick to demand that he also speak up for an easy path for Nandini to operate in Kerala. Politically, the Amul-vs-Nandini brouhaha is over whose interests are mostly served by cooperatives sourcing milk from dairy farmers-Gujarat's or Karnataka's? But looking upon it as a vote-catcher obscures the fact that all these suppliers are Indian, just as consumers are. Nobody should pitch those of one region against those of another. Such subnationalism violates both the

spirit and logic of India's common market. If state barriers are erected, it would hurt the entire dairy ecosystem. To maximize the final value derived by all stakeholders (chiefly livestock owners), we must not limit any player's field of opportunity. We should also encourage rivalry, as a better contested market generally tends to offer superior value for money while also enlarging cash flows for inputs. Any brand should be able to sell freely anywhere, be it Amul in Karnataka or Nandini in Kerala.

Subnational political appeals need a rollback. Indeed, we must discourage identity politics in general for the negative economic role it plays. It is ironic that a clash of brands has got spun as a danger. While private brands like Britannia exist, our dairy market has lacked competitive intensity in most parts of India. Unless a player is simply too weak to survive, the spur of rivalry can raise everyone's game, expand consumption and prove itself a win-win for all. As milk is highly perishable, local suppliers have a supply advantage in every region. To them, it is the overall volumes sourced that matter, not which brand of curd, cheese, etc, their supplies go into. As of now, Amul's packages are selling at a premium over Nandini's in Karnataka. If the gap begins to close, the latter should work out a strategic response like any marketer would. Let its rivalrous resilience become the narrative, not the 'utterly bitterly' slugfest we're seeing.

# Kerala CM launches 'Repositioning Milma 2023' initiative

#### APR 20, 2023

https://dairynews7x7.com/kerala-cm-launches-repositioning-milma-2023-initiative-to-rebrand-dairy-major/



erala Chief Minister Pinarayi Vijayan on Tuesday launched an ambitious rebranding initiative of the cooperative dairy major Milma focusing on an image makeover of the brand.

The rebranding envisages bringing uniformity in packaging, design and product quality to meet the challenges from domestic and global competitors while reinforcing its position as the market leader.

Rolling out the 'Repositioning Milma 2023' project, drawn up by Kerala Co-operative Milk Marketing Federation (KCMMF) that is known by the brand Milma, the Chief Minister told the dairy major to give due attention to product diversification and expansion of marketing network as part of the rebranding exercise to meet the demands of the time.

The brand Milma has a pre-eminent position in the lives of Keralites, he said.

"There will hardly be any Malayali who does not consume one or the other product of Milma in daily life. Milma enjoys immense credibility. Based on this firm trust, you should strive to present Milma's products to meet the demands of our time," Vijayan said.

The government has been making effective interventions in the dairy sector considering the nutritional value of milk and the livelihood its production provides to a large section of people, he said.

These initiatives were aimed at achieving selfsufficiency in milk production while ensuring remunerative prices for farmers, he said. When the price of milk was revised recently, it was assured that 85 per cent of the revenue accruing from the hike went to farmers, the Chief Minister added.

When the government returned to power in 2021, as many as 22 schemes were drawn up for the growth of the animal husbandry sector, majority of which were for the development of the dairy sector, he said.

Apart from direct government projects, various schemes worth Rs 130 crore are being implemented through the local bodies. The cooperative sector also contributes immensely to the growth of the sector, he said.

Starting with the participation of 45,000 farmers and a daily procurement of 52,000 litres of milk, Milma has grown over the years into a big institution having 10 lakh farmers affiliated to it and the milk procurement touching an average 14 lakh litres per day, he noted.

"Last year, Kerala registered a growth of 12 per cent in milk production while the national rate was only six per cent," he added.

Minister for Animal Husbandry and Dairy Development J Chinchurani, who presided over the function, said the 'Repositioning Milma 2023' project aims to firm up Milma's position as the market leader and equip it to meet challenges from the domestic and global dairy brands.

"The deficit in milk production at the national level has also affected Kerala. The government and Milma are implementing various projects to increase milk production in the state," she added. As part of the initiative, Transport Minister Antony Raju unveiled a short video featuring the mascot 'Milma Girl' and also lauded Milma's efforts to maintain global standards in its products. In his welcome address, Milma Chairman K S Mani said as the next step, the brand will make all efforts to increase milk production in the state through the various projects envisaged by the government.

National Dairy Development Board (NDDB) Chairman Meenesh C Shah, who addressed the function through videoconferencing, appreciated Milma's initiative and extended all the support of NDDB.

As the first step of the rebranding process, uniformity will be followed in the quality, design and production of the liquid milk, curd, set curd, flavoured milk and ghee sold in the market by Milma and its regional milk unions.

Conceived with the financial and technical assistance of NDDB, 'Repositioning Milma 2023' envisages a holistic change and uniformity in packaging, design, quality of the dairy products and price to compete with other brands.

The project also aims at extending the marketing network of Milma, ensuring the availability of all dairy products of Milma in remote areas across the state.

Through this long-term plan, there will be a notable change in main functional areas like production, quality and marketing of the federation and regional milk unions, a statement added.

# IB Group appoints RS Sodhi President IDA as Independent Director APR 20, 2023

https://dairynews7x7.com/ib-group-appoints-rs-sodhi-ex-md-amul-as-independent-director/



B Group one of India's largest diversified group, is constantly striving to bring the country's PROTEIN & ENERGY requirement to meet the world-class standards. IB Group's cumulative turnover for the most recent financial year was 9,000 Crore. In its quest to expand and become more efficiently prominent in its domain, IB group will be launching its muchawaited Initial Public Offering (IPO) soon. To ensure a successful launch, the group is collaborating with experts from various business categories to implement new technologies in the Journey towards Atmanirbhar India.

Taking a step further in this direction, IB Group has signed three prominent personalities from the Indian and Global business world, R.S. Sodhi – Ex-MD Amul, Bob Dobbie – Ex-President International Business, Aviagen, and Kishore Kharat – Ex-MD IDBI, as Independent Directors.

Each of these three renowned business personalities would share their extensive experience in a different area of the business for the Group.

R.S.Sodhi – Ex-Managing Director of GCMMF, also known as AMUL. His role at IB Group will be for Value Creation of Retail & Food Processing to

accelerate the ambitious plans in the retail processing business. Popularly known as a "Game Changer" of the Dairy Industry, he is going to take the group's businesses to greater heights. Bob Dobbie is Ex-President of International Business, Aviagen – A multinational poultry breeding company based in the USA. Dobbie will be leading IB Group for protein processing unit. He has vast experience in the global poultry industry, especially breeder production and commercial management responsibilities for the last 45+ years. His extensive well-rounded career will significantly boost IB Group's potential for growth. Kishor Kharat, Former MD and CEO of IDBI Bank and Indian Bank, an inspirational leader, management advisor, and principal partner of AMRO BUCONS. His vast knowledge and proficiency in the field of finance will help IB Group reach potential economic growth. He is a renowned banker with over 41 years of rich, professional banking experience.

On this occasion Zoya Afreen – Director, welcomed all three Independent Directors to the IB Group. She said – "Having these three eminent personalities on board will be a significant accomplishment in IB's progress."

Bahadur Ali, MD, stated: "We are delighted to welcome on board these distinguished industry leaders. Their experience and expertise will provide valuable guidance in developing the Indian Poultry Industry for the benefit of the Indian Economy. We are looking forward to take IB Group to new heights with them".

### Govt to merge two large dairy schemes to aid private sector APR 18, 2023

https://dairynews7x7.com/govt-to-merge-two-large-dairy-schemes-to-aid-private-sector/



he government has decided to merge two dairy-sector schemes – Animal Husbandry Infrastructure Development Fund (AHIDF) and Dairy Processing and Infrastructure Development Fund (DIDF), with a view to making available the funds from the balance outlay to the private sector dairy and meat processing units.

The AHIDF was launched in 2000 with an outlay of Rs 15,000 crore while DIDF, which was implemented for five years till the last fiscal, saw under-utilisation of the Rs 10,000 crore outlay.

"With more than half of the allotted fund under the two schemes yet to be disbursed, we will merge the schemes subject to the composite outlay cap of Rs 25,000 crore. There won't be any additional requirement of funds," an official with the department of animal husbandry and dairying, told FE. He added the merger would bring in synergy in implementation.

Through the merger of AHIDF and DIDF, the government is aiming to encourage private sector participation in creating dairy and meat processing infrastructure. Officials say that despite India being the world's biggest milk producer and one of the largest poultry meat producers, the unorganised sector still holds a major share in the livestock sector.

As per official estimates, only 20-25% milk produced in the country is processed, the aim is to increase milk processing to 40% in the next couple of years. Both the schemes are aimed at creating dairy and meat processing infrastructure by cooperatives as well as private sector by providing interest subvention and longer repayment period. Part of Prime Minister's Atmanirbhar Bharat Abhiyan stimulus package, AHIDF focuses on increasing milk and meat processing infrastructure along with cattle feed manufacturing and providing access for unorganised rural milk and meat producers to organised markets.

According to official data, out of the 271 projects worth Rs 6,819 crore sanctioned under AHIDF so far, Rs 4,534 crore worth of loans have been approved by banks. Disbursements so far have been only Rs 675 crore under the fund.

Under AHIDF, private entities, farmer producer organisations (FPOs), entrepreneurs and micro and small enterprises get loans from banks with an interest subvention of 3%, credit guarantees and a repayment period of 10 years including two years of moratorium.

To create additional dairy processing infrastructure by cooperatives, DIDF with a total project outlay of Rs 10,005 crore with a loan component of Rs 8,004 crore from the National Bank for Agriculture and Rural Development (NABARD), National Dairy Development Board (NDDB) and National Cooperative Development Corporation (NCDC) was implemented during 2018-19 to 2022-23.

According to data, 36 projects across 11 states with a total project outlay of Rs 5,429 crore has been approved under DIDF.

So far loans of Rs 3,483 crore have been sanctioned under the fund to dairy cooperatives, multi state dairy cooperatives, milk producer companies and subsidiaries of the NDDB while Rs 1,371 crore have been disbursed by banks as loans.

A major share of projects have been sanctioned in Karnataka (9), Telangana (3), Gujarat (3) and Tamil Nadu (3) for milk processing. Under DIDF, the Centre had provided interest subvention of 2.5% with a maximum repayment period of 10 years, including two years moratorium period According to the Economic Survey (2022-23), the livestock sector grew at a CAGR of 7.9% during 2014-15 to 2020-21 and its contribution to total agriculture GVA has increased from 24.3% to 30.1% during the same period.

### A big fat problem in milk: What's driving up prices?

APR 18, 2023

https://dairynews7x7.com/a-big-fat-problem-in-milk-whats-driving-up-prices/



he current price inflation in milk is mainly due to a shortage of fat. It has led dairies to hike full-cream milk prices or to cut fat content through rebranding of existing products. Also, milk does not attract GST, while fat and powder used in reconstitution does, an anomalous situation for which the consumer ultimately pays.

Till mid-October last year, GCMMF was charging consumers Rs 10 per litre more for full-cream milk compared to toned milk. The maximum retail price (MRP) for its 'Gold' full-cream milk, containing 6% fat and 9% SNF (solids-not-fat), was Rs 62 per litre in Delhi, as against Rs 52 for 'Taaza' toned milk with 3% fat and 8.5% SNF.

But since then, the price difference has gone up to Rs 12, with the MRP of Gold raised to Rs 66, and of Taaza to Rs 54 per litre.

The Karnataka Cooperative Milk Producers' Federation, India's second-largest dairy concern, has done the same for its Nandini milk. While regular pasteurized toned milk is retailing at just Rs 39 per litre, the MRP for the 'Samrudhi' full-cream variant was Rs 50/litre before being increased in a roundabout way in early March. Consumers are still paying Rs 50, but only for 900 ml, which translates into an effective MRP of Rs 55.56 a litre. The price difference vis-à-vis toned milk has widened from Rs 11 to Rs 16.56/litre.

The Tamil Nadu Cooperative Milk Producers' Federation (Aavin) has, likewise, raised the MRP of its 'Premium' full-cream milk in Chennai from Rs 48 to Rs 60 per litre with effect from November 4. The MRPs of toned and standardized milk (with intermediate 4.5% fat and 8.5% SNF content) have been kept unchanged at Rs 40 and Rs 44 per litre respectively. However, in some markets such as Madurai, Tirunelveli and Coimbatore, Aavin has replaced sales of standardized milk with so-called 'cow milk', having 3.5% fat and 8.5% SNF.

### It's about fat

The current price inflation in milk has mainly to do with a shortage of fat. It has led dairies to increase full-cream milk prices more or to cut down fat content through rebranding of existing products. There have even been reports of branded ghee and butter disappearing from store shelves.

R S Sodhi, president of the Indian Dairy Association, links this partly to the falling contribution of buffaloes to national milk production. The share of buffaloes — their milk has an average 7% fat and 9% SNF content, against 3.5% and 8.5% of cows — to total output was about 46.4% in 2021-22. In 2000-01, it stood at 56.9%, even as the share of crossbred/exotic cows has risen (18.5% to 32.8%) and that of indigenous/non-descript cattle declined (24.6% to 20.8%) over this period. "Demand is growing for ghee, ice-cream, khoa, paneer, cheese, and other high-fat milk products. But supply is coming more from crossbreds that give low-fat milk. The mismatch is pushing fat prices higher," explained Sodhi. Even tea shops prefer buffalo milk. This milk, with 15-16% total solids, can be diluted to serve more cups and creamier tea.

### Export-induced inflation

However, a more immediate reason for rising fat prices is exports. During 2021-22, India exported over 33,000 tonnes of ghee, butter, and anhydrous milk fat valued at Rs 1,281 crore.

Increased exports (see table) came at a time when milk production was taking a hit from farmers underfeeding their animals and shrinking herd sizes — due to low prices received during the Covid lockdowns, escalation in fodder and livestock feed costs, and lumpy skin di ease outbreak among cattle. Exports of milk fat table.

The supply-side pressures built up just when demand was returning with the lifting of lockdown restrictions and resumption of economic activity. Exports — enabled by global fat prices skyrocketing from \$3,850 per tonne in September 2020 to a record \$7,111 in mid-March 2022 (see chart) — added fuel to the fire, exacerbating domestic shortages.

International milk prices chart.

Ex-factory prices of yellow (cow) and white (buffalo) butter crashed to Rs 225-275 per kg during the March-July 2020 demand destruction period. From those lows, they had soared to Rs 420-430/kg by February-March this year. "Prices have since eased to Rs 400-405 for white and Rs 410-415/kg for yellow butter, following reports of the government planning to lower the import duty on milk fat (from 40%)," said Ganesan Palaniappan, a Chennai-based dairy commodities trader. On Friday though, Union Animal Husbandry and Dairying Minister Parshottam Rupala dismissed any such move. Imports have become viable with global fat prices, too, dropping below \$4,750 per tonne.

### Alternative to imports

With imports ruled out — high prices, it is believed, will incentivize farmers to invest more in their animals and ramp up production — can there be an alternative solution?

October-March is normally the 'flush' season in milk, when supply exceeds demand. Dairies convert the surplus that they procure into skim milk powder (SMP) and butter fat. This is done by separating the cream and removing the water in the skimmed milk through evaporation and spray drying. The same SMP and fat is reconstituted into whole milk during the 'lean' summer-monsoon months (April-September), when animals produce less amid rising demand for curd, lassi and ice-cream. Such processing into solids and reconstitution by adding water happens in no other farm produce: atta flour and sausages once made cannot be turned back into wheat or pigs.

The 2022-23 'flush' was a rare season where milk procurement fell, leaving dairies with hardly any surplus for converting into fat and powder. And with production bound to fall further in the ongoing 'lean', the dependence on purchase of milk solids for reconstitution will only go up.

### Fixing GST anomaly

Therein lies a problem. Milk doesn't attract any goods and services tax. But SMP is taxed at 5% and milk fat at 12%. So while dairies pay no tax on milk procured from farmers, they have to shell out GST on solids. And input tax credit cannot be claimed, as there's no GST on milk itself. Moreover, the tax incidence goes up as the fat in the reconstituted milk increases.

For every 100 litres (103 kg) of full-cream milk that dairies process, 6.18 kg of fat and 9.27 kg of SMP is produced. Butter contains 82% fat. Taking its price at Rs 425/kg (Rs 518/kg of fat) and SMP's at Rs 325/kg, their combined cost in the reconstitution of 100 litres will be Rs 6,214. Adding 12% GST on fat and 5% on SMP takes it to Rs 6,749 or Rs 67.49 per litre.

Simply put, the total cost of fat and SMP used in reconstitution of one litre of full-cream milk is today around Rs 67.5. The GST component in that is Rs 5.35/litre — Rs 3.84 on fat and Rs 1.51 on SMP — which is ultimately passed on to the consumer. One way to avoid this is by doing away with GST on milk solids used for reconstitution purposes. Alternatively, the GST on milk fats can be reduced to 5%. Differential rates on SMP and fat probably make no sense, when both are derived directly from milk. A 12% GST on milk fat is also an anomaly when vegetable fat (edible oils) is taxed at 5%.

# WPI Inflation Eases To 29-Month Low Of 1.34% In March

### APR 18, 2023

https://dairynews7x7.com/wpi-inflation-eases-to-29-month-low-of-1-34-in-march/





In its monetary policy review earlier this month, the RBI cautioned that adverse climatic conditions are a risk to the future inflation trajectory and predicted milk prices to remain firm going into the summer due to tight demand-supply situation and fodder cost pressure The wholesale price-based inflation eased to a 29-month low of 1.34 per cent in March on easing prices of manufactured products and fuel items, even though food articles turned costly. March is the 10th straight month when wholesale price index (WPI) based inflation has declined. The inflation was 3.85 per cent in February and 14.63 per cent in March 2022.

Inflation in food articles, however, rose to 5.48 per cent in March as against 3.81 per cent in February. "Decline in the rate of inflation in March 2023 is primarily contributed by fall in prices of basic metals, food products, textiles, non-food articles, minerals, rubber & plastic products,

crude petroleum & natural gas and paper and paper products," the commerce and industry ministry said on Monday.

Inflation in wheat and pulses was 9.16 per cent and 3.03 per cent, respectively while in vegetables it was (-)2.22 per cent. Inflation in oilseeds was (-)15.05 per cent in March 2023. Fuel and power basket inflation eased to 8.96 per cent last month from 14.82 per cent in February. In manufactured products, inflation was (-)0.77 per cent as against 1.94 per cent. The deceleration in WPI comes in line with the easing of March retail inflation.

Consumer price index based retail inflation declined to a 15-month low of 5.66 per cent in March from 6.44 per cent in February. In its monetary policy review earlier this month, the RBI cautioned that adverse climatic conditions are a risk to the future inflation trajectory and predicted milk prices to remain firm going into the summer due to tight demand-supply situation and fodder cost pressure. The central bank also paused the interest rate hike, holding the benchmark rate at 6.50 per cent. It projected retail inflation to average 5.2 per cent in current fiscal year.

# Sanjaya Baru | Amul and dairy co-ops: Milch cows get political APR 18, 2023

https://dairynews7x7.com/sanjaya-baru-amul-and-dairy-co-ops-milch-cows-get-political/



he controversy generated by the aggressive push into Karnataka of the Gujaratbased Amul, owned by the Gujarat government's multi-billion dollar entity, the Gujarat Cooperative Milk Marketing Federation (GCMMF), was just waiting to happen.

Worried about the impact of the controversy on the outcome of the state Assembly elections in Karnataka, the Amul management has beaten a hasty retreat, clarifying that there was no question of Amul taking over the Karnataka milk cooperatives' "Nandini" brand. Not only would Amul do only online sales of a couple of products but that it's packaged yogurt will not be called dahi (a Hindi word), as per an earlier directive of a Union government authority, but would be sold as curd. Amul's retreat from Karnataka for the time being is political expediency rather than a measure of its reduced political clout or market power. As the dominant dairy brand, Amul has always enjoyed political patronage from the days of its founder V. Kurien.

However, as in the case of the sugar cooperatives, which politicians across the country have extracted juice from, dairy cooperatives too have now turned into political milch cows. Nothing symbolised the political importance of ruralbased producers' cooperatives, in general, and the sugar and dairy cooperatives, in particular, than the 2021 decision of Union home minister Amit Shah to double up as a minister of the newly inaugurated department of cooperatives. Eyebrows were raised by those bewildered by this decision. Merely because the second most important member of the first Union council of ministers was Sardar Vallabhbhai Patel, many political analysts and commentators even today assume that the home ministry is second in importance to the Prime Minister's job. Sardar Patel's importance did not derive from the ministry he held but his political standing and historic relevance. The home minister of 1947-50 was an important member of the Union ministry because he was busy integrating a new republic into one nation.

Since the days of Sardar Patel, all and sundry have been Union home ministers and every incumbent knew the limitations of that job, especially after the Prime Minister of the day took away the Intelligence Bureau from under the home minister's purview. Fed up with how inconsequential his job was, Lal Krishna Advani asked to be at least called "deputy PM". A nomenclatural upgrade. This is the main reason why Pranab Mukherjee never wanted to be home minister and opted for finance when given a choice in 2009. As soon as Mukherjee went to Rashtrapati Bhavan in 2012, P. Chidambaram made sure he was back in the saddle at the western end of North Block.

Finance beats home in a modern economy.

Long story short. After two years in home ministry, and after giving up the party president's post to J.P. Nadda, Amit Shah chose to add heft to his portfolio by becoming the first Union minister for cooperatives. Many political commentators attributed two reasons for Mr Shah's appointment. The first hypothesis put forward was that the Bharatiya Janata Party wanted to elbow its way into what had for long been Sharad Pawar's political turf.

A second, more proximate, factor was the near revolt of the dairy cooperatives of Gujarat that rejected the Union commerce ministry's decision to sign up to a Asia-wide plurilateral trade agreement, Regional Comprehensive Economic Partnership (RCEP). Prime Minister Narendra Modi had already flown into Thailand in November 2019 with a brief that had said India should be one of the founding members of the RCEP. His friend, Prime Minister Shinzo Abe of Japan, was very keen that India be on board so that it could be a counter-weight to China. Mr Modi liked the idea.

However, hours before the PM could sign on to that agreement, he was advised not to do so. An embarrassed Mr Modi returned home and his spin doctors swung into action. India opted out, they declared, because China was adamant on certain issues and the Asean countries were not helpful. Supplicants in New Delhi's so-called think tank community joined in the chorus and praised the PM for "standing up" to China. This narrative was sold to all and sundry till the usual leaks came out.

Of course, India has issues with China and Asean, but nothing was new on the day that Mr Modi landed in Bangkok. The new factor, however, was an urgent message from Mr Shah that if India agreed to cheaper dairy imports from Australia and New Zealand, then the Gujarat dairy cooperatives would en masse vote for the Opposition. The fear of losing Gujarat's dairy vote kept India out of RCEP.

Surely, foreign trade policies should not ignore domestic politics. So why fight shy of stating the real reason. Even developed economies subsidise their dairy business, and so there is nothing wrong in India also doing so, but why blame the lactose-intolerant Chinese or the beef-eating Australians for the non-competitiveness of our dairy sector?

Once assured of such protection, the big guys started eyeing the small guys.

Protection from imports allowed the country's wealthiest and biggest dairy cooperative started eyeing competition. It hoped to gobble up the Karnataka federation before the state Assembly elections there. The Opposition political parties woke up in time and Amul and the BJP have backed off.

There is a larger issue at stake in the dairy market wars. Inspired no doubt by Amul and the Gujarat famers, most states have their own dairy cooperatives. Like in sugar, the milk cooperatives are also a source of political funding and mobilisation.

The BJP's attempt to centralise this kitty and get all-India control has come up against varying tastes and consumer loyalties and federal interests and pressures.

Why should perugu or thayyaru or mosaru be called dahi?

Through its politicised version of a pluralistic religion and culture and through the systematic imposition of Hindi and so on, the BJP constantly tries not to "unite" a diverse country, but to in fact to "centralise" it. The cow is holy to all Hindus, but there are limits to how much political mileage can be milked from it. Moreover, as every Telugu, Kannadiga and Tamilian knows, no meal is ever complete without curd rice and pickle. Our Gujarati friends don't know what they are missing.

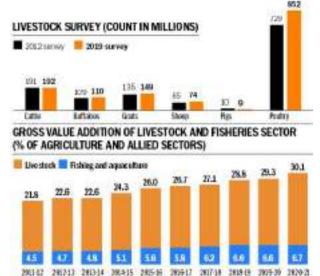
### Focus on livestock sector for income growth

APR 18, 2023

https://dairynews7x7.com/focus-on-livestock-sector-for-income-growth/



NIMAL husbandry, the practice of breeding and nurturing domesticated animals, has been an essential part of agriculture since ancient times. It played a crucial role in the development of human societies by providing milk, meat, wool and leather. Now its role in the production and export of dairy-based products (cheese, butter, ice cream etc.), meat and meat products, eggs and leather is increasing. As a result, its share in agricultural gross value-added products increased from about 20% in earlier periods to 30.1% in 2020-21. Although the livestock sector is growing faster than the crop sector, the growth is much faster in the case of goat and sheep for meat, buffalo for milk, and poultry for meat and eggs. Now, with rising incomes, people are consuming more meat and milk even at higher prices.

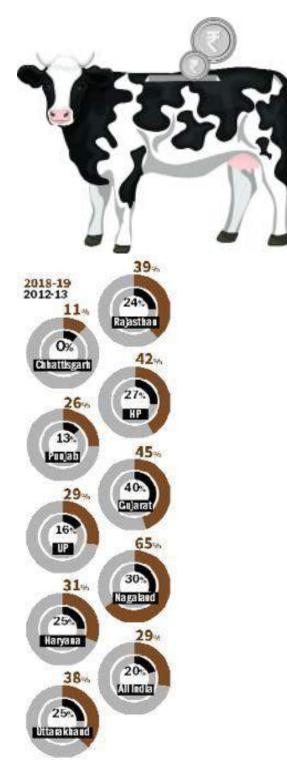


Poverty alleviation

The livestock sector has a huge potential for poverty alleviation. The income is land-neutral both marginal and large landholders have equal opportunity to grow livestock. As per the Situation Assessment of Agricultural Households and Land and Livestock Holdings of Households in Rural India, 2019, the income from livestockrearing activities is higher than the crop income among the marginal farmers who possess less than one acre of land. Livestock-rearing is less risky, and it is antifragile as livestock can feed on leaves and stems of failed crops in case of drought. Livestock-rearing also requires less capital. Livestock provides a regular income, unlike the crop sector. Amid crop failure, livestock fetches income from the sale of milk, meat and eggs for the survival of the household. Recycling economy

Livestock also contributes to the recycling agricultural economy, wherein the animals/birds feed on the crop residue and byproducts, and, in return, provide draught power and dung manure for crop production, besides milk, meat and eggs for human consumption, and hides, bones and hairs for industrial use. With the government's emphasis on organic agriculture and natural farming and the need to reduce chemical fertiliser consumption to limit India's dependence on imported fertilisers, livestock-rearing helps in the production of bio-fertilisers such as vermicompost, farm yard manure, Jeevamrutha, Beejamrutha and Panchagavya and reduces the use of costly chemical fertilisers by farmers. Income from animal husbandry as % of total

farm income



The sector needs renewed emphasis on providing the best veterinary services. The milk yields are relatively low in India; the national average milk yield of cows in India in 2019-20 was 1,463 kg/lactation, as compared to the world average of 2,200 kg/lactation. As India is entering surplus

production of milk and other animal products, it must increase productivity and competitiveness. There is a need for replacing low-yielding breeds with high-yielding ones, irrespective of whether they are local or cross-bred, if they give higher milk yields and increase farmers' incomes. Given that the dairy sector is dominated by small and marginal farmers, it is inevitable that all farmers need to relate to some aggregation model. India's milk revolution started with a very successful cooperative model in the 1970s and 1980s and expanded rapidly until the late 1990s; now, almost one-third of all villages in India have cooperatives. However, from the early 2000s, a model led by the private sector has been competing directly with mega cooperatives. Such competition between cooperatives and private companies will enhance the efficiency of the whole dairy value chain, benefiting farmers with higher prices, modern technological backstopping and benefiting the consumers with better quality and variety of products at lower prices. The dairy market in India was valued at Rs 14.89 lakh crore in 2022. The IMARC Group expects the market to reach Rs 31.18 lakh crore by 2028. As per a report of the National Institute of Agricultural Economics and Policy Research, New Delhi, India's egg production increased from a mere 0.6 million tonnes in 1982-83 to 5.3 million tonnes by 2018-19, mostly driven by the private sector with contract farming. Approximately 75% of the broilers, as well as eggs, are produced through contracts.

Although the driving forces in the livestock sector are cooperatives and private companies, small farmers still need handholding and support from the government in various respects.

Despite an increased share (30%) of livestock in the agricultural GDP, the sector has not received much-needed priority in agricultural support from the government. For example, most of the big-ticket budget items in agriculture, such as food subsidy (Rs 2.94 lakh crore) and fertiliser subsidy (Rs 2.25 lakh crore), are targeted at the crop sector, with almost negligible share of livestock-rearing. Similarly, the entire subsidy on the crop insurance scheme, Rs 16,000 crore, is again exclusively for the crop sector. Similar huge budget allocation is done for the crop sector in the 2023-24 fiscal. The budgetary allocation for the Department of Animal Husbandry and Dairying is just Rs 4,328 crore this time, up from Rs 3,105 crore in 2022-23 revised estimates. This is negligible (not even 1% of the allocation for food and fertiliser subsidies).

There is scope for improvement, especially in steps for wider adoption of high-yielding breeds, providing easy and timely credit and insurance, livestock veterinary services for small farmers, development of feed and fodder markets in dryland areas, and the creation of export infrastructure such as food safety testing labs recognised by importing countries.

### Govt to merge two large dairy schemes to aid private sector

April 17, 2023 01:30 IST

https://www.financialexpress.com/economy/govt-to-merge-two-large-dairy-schemes-to-aid-private-sector/3049519/



he government has decided to merge two dairy-sector schemes – Animal Husbandry Infrastructure Development Fund (AHIDF) and Dairy Processing and Infrastructure Development Fund (DIDF), with a view to making available the funds from the balance outlay to the private sector dairy and meat processing units.

The AHIDF was launched in 2000 with an outlay of Rs 15,000 crore while DIDF, which was implemented for five years till the last fiscal, saw under-utilisation of the Rs 10,000 crore outlay.

"With more than half of the allotted fund under the two schemes yet to be disbursed, we will merge the schemes subject to the composite outlay cap of Rs 25,000 crore. There won't be any additional requirement of funds," an official with the department of animal husbandry and dairying, told FE. He added the merger would bring in synergy in implementation.

Through the merger of AHIDF and DIDF, the government is aiming to encourage private sector participation in creating dairy and meat processing infrastructure. Officials say that despite India being the world's biggest milk producer and one of the largest poultry meat producers, the unorganised sector still holds a major share in the livestock sector.

As per official estimates, only 20-25% milk produced in the country is processed, the aim is to increase milk processing to 40% in the next couple of years.

Both the schemes are aimed at creating dairy and meat processing infrastructure by cooperatives as well as private sector by providing interest subvention and longer repayment period.

Part of Prime Minister's Atmanirbhar Bharat Abhiyan stimulus package, AHIDF focuses on increasing milk and meat processing infrastructure along with cattle feed manufacturing and providing access for unorganised rural milk and meat producers to organised markets. According to official data, out of the 271 projects worth Rs 6,819 crore sanctioned under AHIDF so far, Rs 4,534 crore worth of loans have been approved by banks. Disbursements so far have been only Rs 675 crore under the fund.

Under AHIDF, private entities, farmer producer organisations (FPOs), entrepreneurs and micro and small enterprises get loans from banks with an interest subvention of 3%, credit guarantees and a repayment period of 10 years including two years of moratorium.

To create additional dairy processing infrastructure by cooperatives, DIDF with a total project outlay of Rs 10,005 crore with a loan component of Rs 8,004 crore from the National Bank for Agriculture and Rural Development (NABARD), National Dairy Development Board (NDDB) and National Cooperative Development Corporation (NCDC) was implemented during 2018-19 to 2022-23. According to data, 36 projects across 11 states with a total project outlay of Rs 5,429 crore has been approved under DIDF.

So far loans of Rs 3,483 crore have been sanctioned under the fund to dairy cooperatives, multi state dairy cooperatives, milk producer companies and subsidiaries of the NDDB while Rs 1,371 crore have been disbursed by banks as loans.

A major share of projects have been sanctioned in Karnataka (9), Telangana (3), Gujarat (3) and Tamil Nadu (3) for milk processing. Under DIDF, the Centre had provided interest subvention of 2.5% with a maximum repayment period of 10 years, including two years moratorium period According to the Economic Survey (2022-23), the livestock sector grew at a CAGR of 7.9% during 2014-15 to 2020- 21 and its contribution to total agriculture GVA has increased from 24.3% to 30.1% during the same period.

## Himachal govt to launch Rs 500-crore Him Ganga scheme

### APR 17, 2023

https://dairynews7x7.com/himachal-govt-to-launch-rs-500-crore-him-ganga-scheme-to-promote-dairy-businesschandan-kumar/



he Himachal Pradesh government will launch a Rs 500-crore Him Ganga scheme to promote dairy business in the the state, agriculture and animal husbandry minister Chandra Kumar said on Saturday.

Kumar, who was the chief guest at a district level function organised at Dharamshala in Kangra district on Himachal Day, said that Him Ganga scheme is being started to develop the system of milk-based business in the state. Through this scheme, quality improvement will be done in the system of milk procurement, processing, and marketing. The government will buy cow milk from farmers at Rs 80 per kilogramme and buffalo milk at Rs 100 per kg for the production of different milk products, the minister said. He said that the government is working to change the structure of agriculture and animal husbandry to strengthen the farmers' community.

"It is our endeavour to encourage organic farming by reducing the use of chemicals in crops," he said.

Kumar said that a tourism development scheme is also being started in the state with the help of Asian Development Bank at a cost of Rs 1,311 crore. This will give new wings to tourism in the state, he said, adding that chief minister Sukhwinder Singh Sukhu has announced plans to develop Kangra district as tourism capital. Work is being done to develop tourism facilities like zoo park, golf course in Kangra, he added.

Madhya Pradesh: Food safety officials seize four quintals of adulterated milk cake April 17, 2023, 02:37 AM IST

https://www.freepressjournal.in/bhopal/madhya-pradesh-food-safety-officials-seize-four-quintals-of-adulteratedmilk-cake

orena (Madhya Pradesh): A joint team comprising food safety officers (FSOs) and Ambah police personnel seized four quintals of adulterated milk cake from a man in Morena, while taking him into custody, the police said on Sunday. The police added that the action was carried out following a tip-off from a whistle-blower. According to Ambah police of Morena, an anonymous tip-off from a whistle-blower claimed that a man, carrying ten cartons of adulterated milk cake along with him, is in a bid to sell them and is standing at the Morena trijunction.

The police informed the FSOs too, after which teams from both the departments rushed to the spot. The suspect was collared by the cops, while the FSOs took sample of the milk cake, which was found to be adulterated. All ten cartons, containing around four quintals of milk cake, were seized by the FSOs, while the accused was taken into custody. Inspector Vinay Yadav, Superintendent of police (SP) Vivek Tomar, Bharat Singh, constables Sitaram, Deepak Pachauri, Narendra Morya, Ompaal Sikarwar and Yogendra Raje played a pivotal role in nabbing the accused.

### Shall the government control milk prices in current times ?

### APR 17, 2023

https://dairynews7x7.com/what-the-milk-shortage-saga-tells-us-about-letting-government-control-prices/



he milk supply chain has been in trouble in several states over the last few months. Industry leaders expect shortages and price hikes to continue until winter. Besides making your next cup of filter kaapi or chai hard on the pocket, this situation reveals a lot about the consequences of government intervention and price distortions. In his seminal 1945 paper, The Use of Knowledge in Society, economist FA Hayek explained that prices are a vital signal—a decentralised coordination mechanism between dispersed producers and consumers. Increasing prices signal consumers to seek substitutes or rationalise consumption, reducing demand. The same information, in turn, signals producers to increase supply, as they can make more profit. A reduction in prices has the reverse effect on producers and consumers. Eventually, the demand and supply attain equilibrium again. Thus, prices incentivise individuals and firms to make decisions that are in their self-interest but also contribute to society's overall well-being. The signal called price makes all this magic happen. Prices are "precious".

This valuable signal loses fidelity when the price system is interfered with. And when governments do this interference, bizarre things happen. The ongoing milk shortage is tailor-made to appreciate Hayek's insight. Let's see how.

To be sure, minimum support prices or subsidies for milk producers are popular with governments worldwide. But in India, that's just the beginning. Classified as an 'essential' commodity under the Essential Commodities Act (ECA), 1955, the designation gives governments carte blanche to fix procurement prices, cap consumer prices, and run the supply chain between the producer and the consumer.

Take Karnataka, where milk shortage has been in the news recently.

The Karnataka Milk Federation (KMF) is the second-largest dairy cooperative in India and procures nearly 50% of all the milk supplied by the state's farmers. What makes the situation complicated and tragicomic is the state government's role in supply chain. While the system seemed functional in normal circumstances, the cracks surfaced in recent weeks. As the summer season began early this year, demand for milk rose. After all, a glass of buttermilk is a wonderful refresher in the heat. Simultaneously, supply naturally dropped in the summer, as milch animals produce less than usual in the hotter months. A bout of lumpy skin disease further exacerbated the gap between demand and supply this year.

For another product, a market-based price rise would have quickly ironed out this demand-supply gap. But when governments occupy centre stage, prices become sticky political issues, and a series of bizarre events unfold.

First, electoral concerns circle over pricing decisions like vultures.

The government will not want to touch prices with a barge pole because the state elections are due in May. Instead, it tried a roundabout way by making the packet size smaller while retaining the old packet price.

Second, since the administered price rises have not done enough to make the demand-supply gap go away, milk shortages emerge. The rich can afford to buy premium milk at higher prices from other suppliers. But for the poor, the milk packets disappear from shelves.

Instead of paying a slightly higher price until supply rises again, the less-privileged consumers are only left with empty glasses.

Third, the government resorts to blaming private dairies for offering higher prices to dairy farmers. Given the economic situation of farmers, we should have celebrated private players providing a better deal to them. Instead, they become villains in a story where the government is the sole hero. It's no wonder some dairy farmers in Tamil Nadu emptied milk containers on the road demanding a better procurement price from the state government.

Fourth, a quotidian issue becomes a front for inter-state tensions. The Karnataka government blames dairies in Maharashtra and Tamil Nadu for offering higher prices to farmers within Karnataka. In contrast, the Tamil Nadu government resorted to blaming private companies from Andhra Pradesh. Even the entry of a competitor like Amul that could have quickly reduced shortage gets opposed on the grounds of sub-national pride.

Amazing, the things that happen when governments obstruct a control system called "prices". Even as this satire unfolds, the root cause of milk shortages isn't even being discussed. The Bangalore Milk Union president admitted that "many small milk producers have given up on rearing cows as it has become unsustainable".

Though he doesn't say why, one reason could be that the 2020 state law banning cow slaughter and frequent attacks on people transporting cattle has discouraged smaller farmers from stepping into this minefield called milk production. This milk saga reiterates that government intervention in the market must only be done after careful consideration and under specific conditions

India needs to be export competitive to capture overseas market for surplus milk: Niti Aayog member

# April 16, 2023

https://www.thehindu.com/news/national/india-needs-to-be-export-competitive-to-capture-overseas-market-forsurplus-milk-niti-aayog-member/article66743398.ece

India has already emerged as the largest milk-producing nation in the world, and if it has to capture overseas markets for its surplus milk, then the country must be export competitive, Niti Aayog member Ramesh Chand has said.

Mr. Chand in a working paper further said India's dairy industry has been opposing any free trade agreement that involves liberalisation of trade (import) in dairy products.

"However, if we have to capture overseas markets for disposal of the future surplus of milk in the country then we must be export competitive. "Being export competitive requires higher competitiveness than competing with imports," he said.

According to Mr. Chand, a country cannot be export competitive if it is unable to compete with imports and this issue is crucial for the future growth of the dairy industry in India.

While noting that the dairy industry must prepare for channelising some domestic production to overseas markets, he suggested that it is better if it is done after processing various products rather than liquid milk alone.

"This will require some change in investment in the dairy industry, including the value chain. India can also tap some high-end markets if it can address milk quality and livestock health," he said.

The goal and vision of the dairy industry for the next 25 years should be to make India the largest

exporter of dairy products, Mr. Chand suggested.

"This is a tall order but, looking at the past achievements of the dairy sector, it looks attainable though challenging," he opined.

Exports are less than 0.5 per cent of the total domestic milk production. World dairy export in 2021 was valued at \$63 billion, whereas India's export was only \$392 million (0.62 per cent).

Mr. Chand pointed out that the recent data on milk output shows an annual growth rate of 5.3 per cent. It is important to mention that the growth rate in milk production accelerated after 2005, when the emphasis shifted from exotic breeds to indigenous breeds.

Per capita milk production in India has now exceeded the recommended dietary level, as suggested by NIN-ICMR, which is 377 grams per person per day.

According to Chand, the dairy sector faces three major challenges -- low productivity of milch animals, increased emission of greenhouse gases by the ruminants, having a detrimental effect on climate change and very low share of export.

The dairy sector in India has shown very impressive growth since the beginning of Operation Flood launched in 1970. Before this, milk production was not even keeping pace with the growth in population in the country.

Because of this, per capita milk output declined from 132 grams in 1955-56 to 110 grams in 1973-74. This led to a serious shortage of milk and milk products in the country, like a shortage of staple food during the mid-1960s, which led the country to go for adoption of green revolution technology.

### India must open up for imports to capture foreign dairy market

APR 16, 2023

https://dairynews7x7.com/india-must-open-up-for-imports-to-capture-foreign-dairy-market/



Iti Aayog member Ramesh Chand has proposed that India enhance its dairy exports as production in the country surpasses demand. This requires enhancing India's competitiveness, while also opening up to dairy imports through free trade agreements with other countries, he said.

"India's dairy industry has been opposing any free trade agreement that involves liberalisation of trade (import) in dairy products. However, if we have to capture overseas markets for disposal of future surplus milk in the country, then we must be export competitive," he said in a working paper, titled India's White Revolution.

According to Chand, being export competitive requires higher competitiveness than competing with imports. "A country cannot be export competitive if it is unable to compete with imports. This issue is crucial for the future growth of the dairy industry in India," he said.

"India's dairy industry has been opposing any free trade agreement that involves liberalisation of trade (import) in dairy products. However, if we have to capture overseas markets for disposal of future surplus milk in the country, then we must be export competitive," he said in a working paper, titled India's White Revolution. According to Chand, being export competitive requires higher competitiveness than competing with imports. "A country cannot be export competitive if it is unable to compete with imports. This issue is crucial for the future growth of the dairy industry in India," he said.

As per the working paper, milk production in the country is projected to grow at 6% per year while the per-capita milk intake is already above the recommended level, even as population growth is falling below 1%.

Consequently, the domestic milk demand in future is likely to grow at a lower rate and is expected to be lower than growth in production, which is quite robust. This will generate some surplus of milk over normal demand and supply, he said.

Chand suggests that India's dairy industry prepare for channelising some domestic production to overseas markets, preferably after processing in various products rather than the liquid milk alone. "This will require some change in investment in the dairy industry, including the value chain. India can also tap some high-end markets if it can address milk quality and livestock health," he said.

# Why the Amul-Nandini Controversy Is Important

### APR 16, 2023

https://dairynews7x7.com/the-chronicle-of-a-takeover-foretold-why-the-amul-nandini-controversy-is-important/



he controversy about Amul coming into Bengaluru to sell liquid milk and curd has opened a new debate on whether it is threatening the local brand Nandini. While this looks like one more fishing expedition by the minister for co-operation after he dropped a hint of Amul and Nandini "working together", it may be important to put matters in perspective and understand the "chronology".

There was a logic in how the co-operative structure was organised in India, starting with Amul which fought the monopoly of Polson Dairy, and the later developments that happened through the setting up of the National Dairy Development Board (NDDB) to replicate Amul (or the Anand Pattern Co-operatives, as it was called) across different parts of the country. Milk was seen as an essential commodity that had to be supplied to the public at large. So before NDDB started the Operation Flood programme, most of the dairies were owned and managed by the respective state governments through a wholly owned corporation or a board.

### The logic of three tier structure

The original design of the Anand model involved procurement of milk from the village through village co-operatives and allowing for local sale. The surplus was transferred to a processing plant, usually set up at the district level. There could be an intermediate milk chilling centre that preserved the milk if the distance from the village to the processing centre was too long. Each district would have its own marketing set up for liquid milk and some products in its catchment area. The surplus (beyond local sales) would be processed as products, branded and sold in all territories.

Amul was the brand of the Kaira Milk Union (now called Kheda). There were other strong brands in Gujarat – Sagar which was a brand promoted by the Dudhsagar Dairy in Mehsana, Sugam in Vadodara, Sumul from Surat and Vasudhara from Valsad. Each of these would sell milk under their own brands and make products for the local market. (Sugam Gulab Jamoon was famous at one point in time.) Amul and Sagar brands were upscaled to represent the marketing efforts of the Gujarat Cooperative Milk Marketing Federation, which originally restricted itself to selling only processed products.

So liquid milk was sold loose in the village, pasteurised, processed, packaged liquid milk was branded with the local brand and sold in the districts. Milk products were branded and sold globally by the federation. It was localisation first and integration on surpluses.

The belief system in the Amul family was that margins and value addition was in products. It was believed that the economics of transporting liquid milk over long distances did not make sense. While it is true that Anand would supply milk to Kolkata by running a special train of insulated tankers twice a week, that was more to fill in the deficit faced in the Bengal market, and not necessarily to "occupy" the market.

At the apex, there was a fourth tier – the National Cooperative Dairy Federation of India – which managed the co-ordination for defence supplies, and the balanced surplus and deficits of the state federations. Most of this co-ordination was in bulk unbranded milk products – particularly milk powder. So, while competing for long shelf life products was always on, the markets for liquid milk belonged to the local co-operative, honouring the principle of co-operation amongst co-operatives. Building an umbrella

In addition, the NDDB had its own subsidiary Mother Dairy, which operated largely in the National Capital Region, buying milk in bulk from co-operatives. A territorial divide and a gentleman's agreement was in place, because all these arms came under the patriarchal leadership of Dr V. Kurien. All these components were a part of a large Hindu undivided family!

This model was mildly challenged long after Kurien stepped down from NDDB and Amrita Patel became the chair. In her second term as the chair of NDDB, there was a proposal to develop an umbrella brand under Mother Dairy. This was for state federations to tag on to a centralised brand and marketing support through a series of Joint Ventures (JV). The state federation and Mother Dairy would have a 49-51 stake in this JV. This quickly ran into rough weather with Kurien objecting, leading to a public fallout between Patel and Kurien. Nothing significant came out of the initiative.

The meteoric rise of the Gujarat Federation (with the brand name Amul) happened after Kurien faded from the scene. Two significant changes happened. Firstly, the Gujarat cooperatives saw a great merit in marketing liquid milk, as it reduced inventory holding period and had a quick turnover and added to the profits by sheer volume, even while the margins were thinner than in products. In the process, the Amul brand gained prominence, and all the local brands within Gujarat died a slow death.

Since Gujrat Federation was on a treadmill of growth, it needed more procurement and more presence in the market to preserve its market share. The obvious choice was to then move out of Gujarat even for procurement of milk. This is where the problem starts. The modus operandi for Amul was to first sell liquid milk, establish the brand as a supplier of liquid milk, and then set up a procurement network and a processing plant. Given that Amul is a much larger brand and has a much greater recall, it weakened the local brand and made the local cooperative vulnerable. Amul has been entering markets where the local brands were somewhat weak. Therefore, possibly it may not face resistance. That is not the case with Nandini.

Chronology of anxieties

Should the Karnataka co-operative network be worried? The answer is yes. As of now, it appears harmless, because the competition is ostensibly only in the market place to sell milk. We cannot pick bones with the argument extended by the chief minister of Karnataka: the brands can fight it out and Nandini has the resilience to survive. But what Gujarat Federation brings to the table (which the other private players do not get in the same measure) is the ability to occupy the milk procurement network. That hits the Karnataka Federation at the source.

There are enough examples in multiple states to see that the entry of Amul has weakened the pre-existing brands and local co-operative networks. Since Amul is incorporated under the cooperative legislation in Gujarat, if it procures milk outside of Gujarat, it operates like any other buyer in market. It is accountable only to the farmers of Gujarat and not to farmers outside of Gujarat.

We have had an example of a vibrant milk union in Chittoor district (undivided Andhra Pradesh) nearing bankruptcy because of a private player a couple of decades ago. The modus operandi was to capture the procurement routes, entice the farmers with a greater upfront price, and engineer a working capital problem to the co-operative using political clout. Co-operatives have a transactional relationship with the farmers. If there is a stake, it is more emotional than financial skin in the game. They are vulnerable organisations (evidenced by the disproportionate failures) and are susceptible to easy weakening and takeover. They are precious organisations when they are healthy because they give the best share of the consumer rupee to the farmer. Creeping control

In this chronology of Amul entering multiple states and occupying the milk market, the minister of co-operation wanting Amul and Nandini to work together at the village level (procurement), and the entry of Amul in the liquid milk market of Karnataka, one significant detail is left out. This is about the recent amendment to the Multi-State Co-operative Societies Act.

The amendments make the merger of two state co-operatives possible and easy. The decision for the merger can be taken by the general body of the respective federations. In the current case, the general body of the federations consist only of the chairmen of the unions, Therefore, not more than 16 in Karnataka and 18 in Gujarat will take a decision. In both the states, almost all of them owe allegiance to the party to which the minister for co-operation belongs. So, merger is a simple operation, if need be.

The amendments do not require the clearance of the state registrar of co-operatives. The registration under the state Act is presumed to be cancelled once the central registrar issues a certificate of registration. The most important change in the Act is the creation of a Co-operative Election Authority, which will be appointed by the Union government and defined as serving officers (additional secretary level officer as chair and joint secretary level officer as vice chair).

The legitimate question one could ask about Amul procuring a disproportionate amount of milk from other states through non-member purchase will become redundant by becoming a multi-state co-operative. Obviously then it moves from market, to procurement, to getting the members on to a centralised co-operative whose elections are controlled by the Union government.

The writing on the wall should be evident. Therefore anybody who is interested in the welfare of farmers of the Karnataka Milk Federation and preserving and growing the brand Nandini should be alert. This move does not look as simple and innocent as it appears to be.

Endgame?

In the meantime, the erstwhile CEO of Amul just got taken over by Reliance. What does this mean? That story is for another day. We just need to wait and watch the fun.

### Dairy sector still under pandemic shadow, in dire need of revival push

16th April 2023 09:26 AM

https://www.newindianexpress.com/thesundaystandard/2023/apr/16/dairy-sector-still-under-pandemic-shadowin-dire-need-of-revival-push-2566274.html



EW DELHI: It is ironic at best. A country that worships cows and also has the largest milk production in the world is going through a downturn in cow economy if one can call it that. Growth rate has dipped to less than one percent after the past eight years of robust growth of 5-6 per cent. Experts point out that the major reasons are the Covid-19 related supply disruption, the skyrocketing price of fodders, and the deaths of over lakhs of cattle due to Lumpy Skin Disease (LSD) - a reduction in milk production and making animals weak. Since 2021, LSD has killed over 2.5 lakhs cattle.

"The supply chain of dairy industry was disrupted by Covid-19, which further disrupted the breeding cycle of the cattle," says a senior official at the Department of Animal Husbandry and Dairying explaining the reason. "The pandemic-related mobility restrictions impacted the implementation of artificial Insemination and Breeding programme, which affected herd maturation add yield," he said.

The fodder crisis has also emerged as another challenge for dairy farmers. Fodder constitutes 70 per cent of the milk cost. "Dry fodders price increased 300 per cent and green fodder price increased up to 200 per cent had further worsened the condition of dairy farmers which further either reduced the milk production or left the dairy farming profession," says Harinder Singh, Punjab-based fodder expert. Recently the Reserve Bank of India's interestrate-setting committee said milk prices are causing high inflation. Milk has a weightage of 6.6 per cent in the consumer price index basket. In the last one year, the milk price has increased by over 15 per cent as demand for dairy products grew by 8-10 per cent in the same period because of a rebound in post-pandemic demand. Hence, it contributed to high inflation.

# **Global News**

# Four large supermarkets cut price of milk for first time

### APR 30, 2023

https://dairynews7x7.com/four-large-supermarkets-cut-price-of-milk-for-first-time-since-cost-of-living-crisis-began/



esco, Aldi, SuperValu and Lidl have all announced a reduction in the price of milk. On Friday evening Lidl became the first large supermarket since the start of the cost of living crisis more than 18 months ago to reduce the cost of its milk.

The German discounter announced that it was rolling out a cut of around 5 per cent on many of its milk products from Saturday morning.

The move seemed likely to put significant pressure on the other supermarkets to follow suit given the degree of price matching that exists across the grocery market in the Republic. Within three hours Aldi had responded with a price cut of its own, followed shortly after by Tesco.

The Lidl price cut came after what it said was "some reduction in the cost of milk production" in recent weeks.

The move will see the price of a two-litre carton of milk selling under the Lidl own-brand label fall from  $\pounds 2.29$  to  $\pounds 2.19$  while one litre of milk will fall in price from  $\pounds 1.15$  to  $\pounds 1.09$ . The price of other milk-based products will also be reduced. Lidl said the cuts would pass  $\pounds 2.7$  million in savings "directly on to its shoppers in Ireland".

"The past few months have posed significant challenges with rising inflation and the cost-ofliving crisis, and we know this has been tough for our shoppers as well as our suppliers," the chief executive of Lidl Ireland JP Scally said.

"That being said, there has recently been some reduction in the cost of milk production, and

we're pleased to be in a position to be the first retailer in Ireland to reflect this reduction in our milk prices in store, further underscoring our commitment to always being the best value retailer in the country. All our milk is sourced in Ireland, and we take great pride in working with the best producers on the island."

While prices up and down supermarket aisles have climbed steadily over the last 18 months, the dairy section has been hit particularly hard.

In the Autumn of 2021 a litre of full fat ownbrand milk in Irish supermarkets cost 75 cent. Today and ahead of the price cut from Lidl, a litre of milk is priced at €1.15.

Higher input costs – notably energy and transportation – were blamed for the dramatic increase in prices over recent months.

However, with fuel prices now back at levels not seen since Autumn 2021 and wholesale energy costs also falling considerably pressure was coming to bear on supermarkets to pass on at least some of those savings to consumers.

When contacted by The Irish Times in advance of the Lidl announcement to see if and when they would lower the price of milk in line with lower input costs, Aldi had said it reviews "the market on a daily basis to ensure we remain the best value retailer in Ireland and we will not be beaten on price."

A spokeswoman for Tesco said the pricing of the products are " in line with the competitive market landscape." She added that its pricing policy was always under review but said Tesco "cannot speculate on the future retail price of any product."

SuperValu said on Thursday that the "effects of the very significant inflation shock that has been experienced globally that continue to impact the supply chain, as well as "input costs in a wide range of areas" that remain at significantly elevated levels." Late on Friday night the announced they were cutting the price to match the other supermarkets.

Dunnes Stores did not respond to queries from this newspaper.

### Remilk Is the First Precision Fermentation Dairy Approval In Israel

### APR 28, 2023

https://dairynews7x7.com/remilk-is-the-first-precision-fermentation-dairy-approval-in-israel/



he Rehovot-based Remilk can now bring its non-animal dairy products to market, says the Israeli Ministry of Health. The approval follows Remilk's regulatory approval from the Singapore Food Authority (SFA) and a "no questions letter" from the U.S. FDA earlier this year.

### 'A defining moment'

"This is a defining moment, not only for Remilk but for the entire global alternative protein industry and the state of Israel, one of the first in the world to recognize the significance of precision fermentation," Aviv Wolff, CEO and cofounder of Remilk, said in a statement.



"The opening of the Israeli market to real, animal-free dairy products will place Israel not only at the forefront of global food-tech research and development but also as a leading market in the world for new food consumption. Today's news opens the door for the introduction of high-quality and nutritious animal-free dairy products," Wolff said.



### **Courtesy Remilk**

The precision fermentation category is set for a boom; the number of companies focused on fermentation for alternative proteins rose to 136 last year, according to The Good Food Institute. The sector, which is sandwiched in between the two food tech extremes — made from plants (or fungi) and cultivated or lab-grown — is gaining traction for a number of applications, chiefly dairy.

Fermentation has been used for years in products including medicines, vitamins, and in traditional cheesemaking. But unlike conventional dairy, precision fermentation products are free of lactose, cholesterol, antibiotics, and growth hormones, making them suitable for those with dietary restrictions or concerns.

It's also a vastly more sustainable way to produce dairy. Category leader, California's Perfect Day, says its milk produces up to 97 percent fewer carbon emissions than conventional dairy. Global distribution

Like Perfect Day, Remilk is poised for market domination. The company has already raised more than \$130 million and has signed deals with leading players in the global food industry. Its recent Singapore and U.S. green lights make the global market even more attainable. Remilk is only the second precision fermentation company to receive a "no questions" letter from the U.S. FDA.

Remilk's funding and scalability will see it quickly go toe-to-toe with Perfect Day, which has secured deals with food giants including Nestlé, Mars, and General Mills (which later gave that contract to Remilk before discontinuing the product altogether). It also outsources its tech and provides its dairy-identical whey to other labels.

Last year, Remilk announced a large-scale commercial agreement with the Central Bottling Company (CBC Group), the exclusive Israeli franchisee of Coca-Cola, and one of the largest food companies in Israel, to launch a line of dairy products made with Remilk's protein for the Israeli market. It is also already producing its protein at industrial volumes in facilities around the world.

"The breakthrough achievement of Remilk's R&D team lies in its success in converting a technology that has been used for decades to create components for the food industry such as vitamins and enzymes in small quantities, to produce one of the most significant and high-quality components in the food industry," said Dr. Ori Cohavi, Chief Technology Officer and co-founder of Remilk.

"Our milk protein, produced on an industrial scale, allows us to practically change the face of the dairy market," Cohavi says.

Wolff says Remilk was "born to be an international company," particularly one that "dares to challenge the traditional dairy industry." The regulatory approval as well as its forthcoming product launch with the Central Bottling Company are the beginning of an exciting road ahead — all just part of what Wolff says is the company's vision of "creating new food systems that can provide nutritious and high-quality solutions for the world's growing population."

# Tetra Pak with Disney and Marvel to revitalise its dairy drinks

APR 28, 2023

https://dairynews7x7.com/tetra-pak-partners-with-disney-and-marvel-to-revitalise-its-dairy-drinks/



ood processing and packaging company Tetra Pak has teamed up with The Walt Disney Company (Disney) to revitalise its dairy drinks categories.

As part of the partnership, beverage cartons of Swiss retailer Coop Group (Coop) will adopt characters inspired by Disney and Marvel.

According to Tetra Pak, 80 Disney and Marvel-inspired designs will feature on the packaging of Coop's Qualité & Prix ambient white milk, fresh white milk, flavoured milk, and protein drinks in Switzerland.

Tetra Pak's Coop-Disney collaboration project leader Farahnaz Mohsenin said: "It's exciting to see our collaborative approach opening new opportunities for our customers. The campaign includes one of Switzerland's largest retailer[s], Coop; Swiss dairy market leaders, Emmi Group and Cremo.

"This is yet another example of the benefits of teaming up with Tetra Pak. We are delighted to

see this rollout over the next nine months, coinciding with Disney and Marvel movie release dates for maximum impact."

Customers can also scan the QR code featured on each carton to gain information on the health benefits of dairy through Disney characters.

According to FAO 2022, milk and dairy products contribute toward the healthy lives of people regardless of age.

Coop purchasing products manager Darko Stojanovic said: "We understand how important dairy beverages are to shoppers and their families.

"We believe that by offering a wide range of dairy drink options, we can empower families to make healthier choices and create memorable mealtime experiences that support their overall health and wellness."

The partnership marks Tetra Pak's first campaign to revitalise its dairy categories with the help of Disney and Marvel.

It comes as Disney celebrates its 100th anniversary.

Earlier this month, Tetra Pak announced that its recent recycling initiatives are helping it to deliver a sustainable future, this was in the lead-up to Earth Day on 22 April.

#### Danone invests in animal-free dairy startup Imagindairy

APR 28, 2023

https://dairynews7x7.com/danone-invests-in-animal-free-dairy-startup-imagindairy-via-corporate-ventures-arm-plans-strategic-collaboration/

# realmilk.no cows. anone's corporate venture arm Danone Manifesto Ventures has taken a minor-

ity stake in Imagindairy, an Israeli startup making 'animal-free' dairy proteins via precision fermentation (using microbes instead of cows).

While Danone is heavily invested in plant-based dairy through brands such as Silk, Alpro and So Delicious, this is its first move into the animalfree dairy space, whereby firms engineer fungi or yeast to make dairy proteins such as whey and casein.

A spokesperson at Danone Manifesto Ventures told AFN: "We are thrilled to partner with Imagindairy as a minority investor to help accelerate the company's growth... Given its strong research-driven approach, we believe Imagindairy has the power to be a successful company in this emerging space. We look forward to developing strategic collaboration projects with Imagindairy to learn more about this pioneering space."

Imagindairy said Danone would bring "strategic and operational support to accelerate our growth" adding that the partnership would "pave the way to future collaborations with Danone, as we explore potential business applications together."

'Strategic and operational support'

Founded in 2020 by Dr Arie Abo (CTO) and Dr. Eyal Afergan (CEO), Imagindairy has raised \$28 million to date. It first plans to bring beta-lactoglobulin (whey protein) to the US market but is also working on a range of other milk proteins including casein proteins and alpha lactalbumin, Dr. Afergan told AFN.

The plan is to scale up with contract manufacturing organizations (CMOs) before building his own facility, he said: "We are working today with CMOs to manufacture our beta-lactoglobulin and we will build our own facility when the timing is right. Since our processes are very efficient, we can reach cost-effectiveness with CMOs as well, but having our own facility will have multiple benefits, including more flexibility and control over the entire supply chain."

The aim: 'To reach cost parity and even beyond that'

Asked about the commercial viability of precision fermentation for dairy proteins such as whey and casein, he said: "From the get-go, Imagindairy has identified unit economics as the main hurdle for the commercialization of proteins such as whey and caseins. This is why we turned to technology: our proprietary AI model allows us to develop high-yielding microorganisms, just like cattle have been bred to reach high yields of milk.

"When the fermentation process is much more efficient, it has a very positive impact on the unit economics, and this will allow us to reach cost parity and even beyond that."

Microbes, not cows: Animal-free dairy

But why make animal-free dairy proteins in the first place?

According to advocates, making dairy products without cows offers the best of both worlds: more sustainable and ethical products that don't involve industrialized animal agriculture but still deliver the nutrition and functionality of 'real' dairy such as melty, stretchy cheese, which is hard to make with plant proteins. California-based Perfect Day is the most advanced player in the field, producing animal-free whey from multiple sites. Products containing animal-free casein have yet to hit the market. Other animal-free dairy startups include Remilk in Israel; Change Foods and New Culture in the US; All G Foods in Australia; Formo in Germany; Those Vegan Cowboys in Belgium; Daisy Lab in New Zealand and so-called 'molecular farming' players such as Nobell Foods, Pigmentum, Forte Protein, Kyomei, IngredientWerks, and Miruku. [Disclosure: Mozza, Ag-Funder, AFN's parent company, is an investor in Nobell Foods.)

#### Test and learn

As for the market opportunity for animal-free dairy, it's early days, and key stakeholders are still exploring how best to communicate the concept to consumers and how to navigate the regulatory pathway in some markets.

Most brands in the space are also fairly small, with limited distribution. However, several big players have been testing the waters in recent months, including General Mills (which tested and later dropped—animal-free cream cheese Bold Cultr), Starbucks (which has been testing animal-free milk in the Bay area), and Mars (which has been testing an animal-free milk chocolate bar called CO2COA).

Nestlé is also testing animal-free milk brand Cowabunga, Bel Brands is testing animal-free cream cheese under its Nurissh brand, and Unilever is planning a move into the space.

Feedback so far has been mixed, with Bel Brands' animal-free Nurishh cream cheese performing extremely well in Kroger, while General Mills' Bold Cultr cream cheese was quietly dropped in February. Asked what prompted the decision, General Mills said it "regularly reviews its innovation portfolio and evaluates investment decisions," but has not provided further insight.

Mars, meanwhile, has also acknowledged that the name given to its animal-free chocolate bar (CO2COA) had confused shoppers, who didn't know how to pronounce it, and weren't clear how it connected to the messaging on the front of the pack ('designed with sustainability in mind').

Perfect Day told AFN at the Future Food Tech conference that it is talking to a range of potential customers from tiny startups to multinationals: "We are having different kinds of conversation now with established traditional brands either talking about starting a new product line or including our ingredients into their existing products."

Animal-free dairy: 'It takes time to build a new category'

According to Dr Afergan at Imagindairy: "It takes time to build a new category and what we've seen so far are early market tests. There's great interest among dairy companies to explore this space and a lot of excitement on the consumer side too, so it may take more time to finetune the right products and consumer messages, but we're very confident in the immense potential of this market."

He added: "Danone is a powerhouse in the dairy space so naturally, we can work together under various modes of collaboration. We see their investment as a positive indication of their support and interest in this space. We, of course, continue to also work with additional partners within the dairy industry."

#### Allegation-Indian dairy delegate grabbed Kiwi woman

#### APR 23, 2023

https://dairynews7x7.com/allegation-men-from-high-powered-indian-dairy-delegation-grabbed-kiwi-woman-atevent-with-minister/



ewshub can reveal there has been a possible diplomatic incident involving a high-powered dairy delegation from India.

Police have confirmed they are assessing a complaint from a woman who alleges she was "grabbed" and had "unwanted photographs" taken of her by two Indian men on this major trade visit.

The men were from a co-operative connected to the giant Indian dairy company called Amul. The delegation is here meeting with Government ministers and potential business partners.

The woman who has complained is an employee of Ngāi Tahu Farms and alleges the "grabbing" took place at an event on Monday where Agriculture Minister Damien O'Connor and Agriculture under-secretary Jo Luxton were both present. They both say they did not see the alleged incident.

The Ministry of Primary Industries (MPI) was helping host the delegation and has said it is aware of the incident, and has contacted the police to offer assistance.

Newshub has heard from managing director of Amul Jayen Mehta, who has confirmed there was a complaint.

"I am working with the parties to see what can be done to make amends."

Ngāi Tahu said they do not comment on individual employees.

The context here is that this is a high-stakes visit. Amul is a massive company. It controls the dairy sector in India. India does not allow dairy imports at the moment, but if and when it does it would obviously be a game-changer for New Zealand exporters.

So there are big questions here about how this will play out.

## Redefining Dairy and Alternatives Through Innovation

APR 22, 2023

https://dairynews7x7.com/redefining-dairy-and-alternatives-through-innovation/



The dairy products and alternatives industry, excluding baby food, was valued at USD568 billion in 2022, growth of 8% in current terms despite a 0.6% decrease in volume. This dynamic was primarily caused by price hikes, the main factor driving the industry's value growth. Innovation is crucial to reverse the volume decline and to build added value in the dairy industry that consumers are willing to pay extra for. This includes developing new products that meet changing consumer preferences, such as healthier and functional offerings as well as plant-based alternatives.

56% of global consumers actively look for healthy ingredients in their food, and 30% are willing to pay a premium for health and wellness Source: Euromonitor International's Voice of the Consumer: Lifestyles survey 2022

Functional opportunities from gut health to need states

Innovation around health and wellness in the dairy industry is key for meeting consumer demands for functional products. Euromonitor International's Voice of the Consumer: Lifestyles survey shows that 55.5% of global consumers actively look for healthy ingredients in their food, and 29.6% are willing to pay a premium for health and wellness features, the highest response rate for any food feature.

One key area of innovation in functional dairy is centred around microbiome-friendly ingredients like pro- and prebiotics, symbiotics (which combine probiotics and prebiotic fibre) and postbiotics (which are the end product of the good bacteria fermenting prebiotic fibre). In the case of probiotics, the global demand is higher than the shelf availability, showing a market gap with abundant opportunities, particularly outside of the yoghurt category. In addition, there is rapid development in the gut health positioning, with broader health implications related to energy and mood management, which aligns with ongoing research on the gut-brain axis.

Another interesting area with good long-term potential is innovation around need states. In this context, positionings around cognitive health are the most prominent in the dairy industry, mainly in powdered milk, as well as energy boosting claims also in powdered milk and flavoured milk drinks.

Catering to unique nutritional life-stage needs Addressing the nutritional requirements of various life stages, such as children and seniors, or life stages of certain demographics like women, among others, can help dairy manufacturers create specialised products that promote health and wellness, while catering to the unique dietary preferences and requirements of different consumer segments.

In children's food, 39% of parents prioritise "all natural" labels, while 36% seek "limited sugar or no added sugar" claims

Source: Euromonitor International's Voice of the Consumer: Health and Nutrition survey 2022

In the case of targeting children, parents are on the lookout for products that go the extra mile in providing added value and functionality. Euromonitor International's Voice of the Consumer: Health and Nutrition survey (2022) reveals that when it comes to their children's food, 39% of parents prioritise "all natural" labels, while 36% seek claims related to "limited sugar or no added sugar", making them the top responses from parents. There is also a growing emphasis on vitamins and fibre in children's food as sought-after ingredients in association with immunity and gut health.

Targeting healthy ageing with dairy products can also be a strategic approach for manufacturers in markets with large ageing populations, such as the US, Japan and Western Europe. Emerging markets like China and India are also experiencing demographic shifts towards older populations, showing promising prospects. In line with targeting older consumers, Danone introduced Ganmai in 2022, a new healthy ageing brand in China targeting consumers aged 40 and above. The latest additions to the range are two powdered milk formulas, Ganmai XinRuiLi and Mian-YuLi, designed to have a low glycaemic index and enriched with specific functional ingredients. These include phytosterols to lower cholesterol, oriental ingredients such as bitter gourd, mulberry leaf, Pueraria root, and Solomon's seal root as well as probiotics and fibre for improved gut health.

The expanding frontier of plant-based dairy Driven by health and consumer demand for environmentally sustainable and ethical food choices, plant-based dairy remains a pocket of growth in the industry.

Plant-based dairy is expected to grow by a CAGR of 4%, driven by plant-based cheese, yoghurt and non-soy milk

Source: Euromonitor International Passport Food and Nutrition data

In 2022, a performance slowdown was mainly driven by supply chain disruptions; however, the category still delivered 4% growth in constant terms (from 9.6% in 2021). The forecast remains positive as plant-based dairy is expected to grow

at a 4.1% CAGR between 2022 and 2027, driven by plant-based cheese, yoghurt and non-soy milk as well as the advancements in food technology and innovation. These will help develop plantbased dairy products that closely mimic the taste, texture and functionality of traditional dairy.

As the demand for plant-based alternatives continues, brands are pushing the boundaries by harnessing a rich array of ingredients to expand their product ranges. These span from the protein-packed powerhouses of peas, fava beans, chickpeas, duckweed and hemp, to the exotic allure of sunflower seeds, algae, and mushroom. In March 2023, Nestlé unveiled a new plantbased milk alternative in the US under its Natural Bliss brand, featuring a unique blend of oat and fava, offering high nutritional value with 5g of protein per serving. Plant-based innovation in the dairy aisle is also moving from its stronghold in milk, yoghurt and ice cream to cheese, and venturing into new frontiers across the entire dairy spectrum.

Dairy's progressive transformation from cows to cultures

Besides innovation around functional dairy and more sustainable offerings. The future of the industry is focusing on cutting-edge technologies to produce dairy minus the cows. These include genetic engineering of plants to achieve dairylike proteins, fermentation-based approaches (ie biomass and precision fermentation) and cellcultured dairy aiming to replicate the structure, functionality and nutrition of traditional dairy without animal involvement. In the long term, these innovative technologies have the potential to disrupt the current dairy industry landscape.

#### Feed experiment aims to reduce impact of dairy cow burps

#### APR 22, 2023

https://dairynews7x7.com/earth-week-feed-experiment-aims-to-reduce-impact-of-dairy-cow-burps-on-climate-change/



pivotal experiment to address the impact of livestock on climate change is taking place in our backyard, as a farm in the North Bay gets closer to becoming carbon neutral.

Scientists and farmers are working together to reduce the harmful gasses cows produce. When cows munch for lunch, the amount of methane emitted – primarily through burps, much less from flatulence – harms the planet as a greenhouse gas.

Scientists say methane is 25 times more potent than carbon dioxide.

Ermias Kebreab, a UC Davis professor, has been leading research on how feed additives like red seaweed can reduce methane emissions from livestock.

"I see this as a way in which we can drastically reduce methane emissions," said Kebreab.

His latest experiment with his team of animal scientists includes adding grape pomace, a byproduct of winemaking, to cow feed.

"We are looking into some feed additives that would get us into 80-to-90% reduction of methane emissions which was unthinkable about 10 years ago," said Kebreab.

So far, it's the red seaweed that's the most promising.

It contains a compound called bromoform that inhibits the production of methane in cows' stomachs. The first commercial trial in the U.S. took place in 2021 at the Straus Family Farm near Tomales Bay.

"This is a continuation of what I've been working on all my life," said Albert Straus.

Straus is on a lifelong mission to make his farm carbon-neutral, even converting heavy machinery like the farm's front loader to all-electric.

Results in the UC Davis study on seaweed feed, showed a reduction of methane by up to 82%. That means the organic milk produced at the farm will have less of an impact on the environment.

In the coming months, the farm expects all its dairy cattle to be fed the new seaweed additive when production by Blue Ocean Barns ramps up. "This dairy will have an equal or lower carbon footprint than any plant-based dairy alternative by the end of this year," said Straus.

Using a machine built to mimic what happens in a cow's stomach, Kebreab and animal science researchers in the lab continue to study what else could be used in the fight against climate change including other additives like almond hulls and more.

"There's no better feeling than to see all this work being done and being implemented in the real world and in scenarios around the world," said Kebreab.

It's one move, in the right direction, to strive for what can be done, to reverse the impact of mankind on Mother Nature.

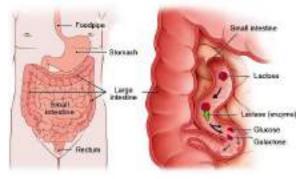
Researchers at UC Davis are also working on trials at a ranch in Montana studying methane emissions from beef cattle.

Straus Creamery hopes to have all 11 of its milk suppliers feed their cattle the seaweed diet and be carbon neutral by the end of the decade.

## A Fresh History of Lactose Intolerance

#### APR 21, 2023

https://dairynews7x7.com/a-fresh-history-of-lactose-intolerance/



🕇 ix decades ago, Pedro Cuatrecasas, a fledgling resident at the Johns Hopkins School of Medicine, was studying the lives of impoverished residents of Baltimore when he noticed an unsettling trend. In interviews, a number of his Black patients would confess that they found milk repellent. The consistency of their laments alarmed Cuatrecasas. He suspected, after some digging, that they suffered from lactase deficiency, a condition that precludes one's body from digesting fluid milk. Cuatrecasas corralled two of his colleagues to conduct a study that would measure the different responses Black and white subjects had to lactose, and the findings confirmed Cuatrecasas's hunch: the majority of Black patients had trouble processing lactose, whereas the problem was far less pronounced within white test subjects. These Black patients even told Cuatrecasas that they often avoided milk altogether, for fear of the pain it would exact upon their bodies.

The findings of this study—published in the respected British medical journal The Lancet, in January, 1965—were monumental. Here was concrete evidence that the ability to digest lactose might be a genetic condition linked to one's racial background. More studies over the following decades would draw similar conclusions about the difficulties that other communities of color—Native Americans, Asians—faced when trying to digest unfermented milk. A damning consensus began to form: the long-held belief that humans can drink fresh milk into adulthood applied almost exclusively to white patients with ancestral roots in northwest Europe. What this indicated, in plain terms, is that most people around the world probably couldn't drink fresh milk without encountering some kind of physical anguish. One might naïvely imagine that this type of data would have prompted a wholesale reëvaluation of drinking milk's supremacy in American diets. But this was not the case. Despite the consensus of these studies, little changed. Milk retained its pristine reputation as a bone-fortifying nutritional bulwark in the United States and beyond, thanks to such culprits as public-health officials, the dairy industry, and the American government.

The culinary historian Anne Mendelson relays this episode with slack-jawed befuddlement, and a dose of mild rage, in her latest book, "Spoiled: The Myth of Milk as Superfood" (Columbia University Press, 2023). As the subtitle intimates, this effort aims to question and dismantle the fallacy that what Mendelson refers to as "drinking-milk"—unfermented milk from an animal that does not undergo any alteration to become yogurt or cheese—is a nutritional necessity. She isn't even convinced that those who are able to keep down milk really need it for their constitution, hazarding that medical authorities have overexaggerated its protein and calcium benefits. Humans certainly don't require it to survive in the same way they do water, she reminds her readers. That fresh milk has been foisted upon so many Americans in the name of well-being strikes Mendelson as a grave injustice. To start, it has inconvenienced those in the country who, once they are weaned off their mothers' breast milk, realize that their bodies aren't wired to withstand unfermented milk; their experiences don't correspond with prevailing societal logic about milk's alleged magic.

Histories of this nature are Mendelson's métier: her past output has included "Stand Facing the Stove" (Henry Holt, 1996), a joint biography of the mother-daughter duo behind the beloved American cooking tome "Joy of Cooking," and "Chow Chop Suey" (Columbia University Press, 2016), which chronicles the proliferation of Chinese cooking in the United States. She has also fused her historical inquiry with recipe writing, most notably in "Milk: The Surprising Story of Milk Through the Ages" (Knopf, 2008), an encomium to the titular ingredient that cruises through its history before exploring its many possible forms, whether clotted cream or paneer.

The existence of "Milk" may make "Spoiled" seem like an abrupt reversal for Mendelson. But this latest book is not so much an excoriation of fresh milk as it is a provocation, one that urges readers to question fresh milk's hegemonic grip over the American mind. Though Mendelson admits that she is not the first to tread this ground—she is openly working within the scholarly tradition of such predecessors as Andrea S. Wiley's "Re-imagining Milk" (Routledge, 2010), Deborah Valenze's "Milk" (Yale University Press, 2011), and Mark Kurlansky's "Milk!" (Bloomsbury, 2018)—she positions her book as sui generis. "No previous history of drinking-milk as a major modern industry has examined the ramifications of what is now known about lactase persistence or nonpersistence—often popularly called lactose tolerance or intolerance-in either the remote past or the present," she writes.

The moment feels ripe for an undertaking as ambitious as Mendelson's. For Americans of a certain age, "Got Milk?" advertisements, featuring celebrities whose upper lips bore pasty milk mustaches, were abiding presences on television or in magazines, propagating the belief that milk was a nonpareil elixir of calcium. Even still, Americans were routinely assailed with a dizzying catalogue of fresh-milk variants in coffee shops and grocery stores: whole, reduced fat, low fat, skim.

The very definition of "milk" has only recently become a site of semantic litigation, as plantbased alternatives to dairy-made from almonds or oats, pistachios or potatoes—sprout on supermarket shelves, offering accommodations to lactose-intolerant consumers. The past few years have likewise brought increasing cultural awareness that the American dairy industry, in its current formulation, is sustainable for few: farmers struggle to turn a profit, increasingly contending with depression, even suicide. Cows themselves suffer maltreatment, pressured to bear the highest possible yield. Americans who drink milk may receive a product that scarcely resembles what emerged from the animal; those who can't tolerate milk might be left to tend to their own discomfort, resorting to Lactaid pills to ease their irritations. This makes a project like Mendelson's unquestionably well timed, the premise she teases in her opening pages intriguing: How did a practice as absurd as drinking milk become such a sworn article of faith in the United States and beyond?

What follows are three hundred pages dense with scrupulous research, amounting to a largely persuasive attempt on Mendelson's part to engage the layperson in sharing her anger at this state of affairs. Mendelson whizzes through centuries of history as she charts the gradual spread of "dairying," from its origins in the prehistoric Near East and Western Asia, where milk carried associations with goddesses, to its prevalence in northern Europe. Settlers to that area developed a genetic attribute that allowed them to digest fresh milk as adults somewhere along their journey from the Fertile Crescent. (Mendelson triangulates that this may have happened between 5,500 B.C. and 2,300 B.C.) That very trait spread through the population of northern Europe. Thousands of years later, Britain, one of the stations where this genetic quirk was especially prominent, would become a dominant global power, colonizing diffuse corners of the world while it, along with the United States later on,

developed the influence to govern scientific dogma internationally.

This set of conditions thus made it easier for milk drinking to become the worldwide phenomenon it is today. It was around the late eighteenth and early nineteenth centuries that medical authorities codified the misguided principle that all humans, regardless of racial provenance, could digest unfermented drinking milk without issue. After the Second World War, medical experts from former imperial countries sought to "modernize" the diets of once colonized territories, whose people trustingly accepted myopic medical advice about milk's palliative qualities.

Mendelson's avalanche of facts may make one's head spin in these early chapters, but the scope of her research is impressive. What lightens the mood is the cast of characters she assembles as she approaches modern times, when fresh milk becomes a mark of status and an often unquestioned beacon of health. As she traces the rise of fresh milk in northern Europe from the sixteenth century onward, her account begins to sparkle, with milk acquiring the cachet of an aspirational social symbol in England and France: "ornamental dairies" and "pleasure dairies" became common in the English countryside for well-off families to enjoy the spoils of a herd and its laborers; Marie Antoinette was among the royals who established dairies, replete with maids and palatial furnishing, during her reign in the eighteenth century.

It was in this period, Mendelson observes, that the mistaken and unceasing faith in a particular maxim—that drinking milk was the way for both children and adults to lead healthy lives—found greater momentum. What helped it gain such sway was the presence of personalities who evangelized fresh milk for its supposedly curative properties. Among the more vivid of Mendelson's character sketches is Dr. George Cheyne, an architect of what some might today refer to as a celebrity diet in eighteenth-century England. Cheyne touted, to use present-day parlance, a lacto-vegetarian regimen of drinking copious amounts of milk along with eating seeds and vegetables to allay psychological or physical distress. He goaded patients to purify their bodies with milk as if it possessed the restorative features of water. In fact, this milk-heavy diet made some of his patients sicker, saddling them with stomach cramps, colicky pain, and other unmentionables. This particular celebrity diet would fall out of vogue following Cheyne's death, but its popularity spoke to the prejudices of the times. Cheyne's proselytizing of fresh milk depended on a perception so many around him had of milk's lightness—lightness of color, of texture, of taste and, by extension, its desirability.

The centuries that followed brought growing awareness that raw milk could become a honeypot for pathogens under improper conditions, thus necessitating sterilization. Pasteurization gained more champions in the late nineteenth and early twentieth centuries. The German-born Nathan Straus, an avatar of this era, cuts a memorably hubristic figure in Mendelson's rendering. A co-owner of the lavish department store Macy's, Straus became America's chief cheerleader for pasteurized milk, advocating for its spread around the country in the hopes of preserving the health of children who'd been encumbered with illnesses brought on by spoiled raw milk. His solution was to encourage the consumption of pasteurized milk, which he often offered in milk depots he operated around New York City. He would make unabashed appeals to the sentiment during his crusades to provide American children (particularly poorer ones) with this miracle product. "I am asking for nothing for myself, but I do ask, for the defenseless babies, that they be shielded from the milk that kills," he once proclaimed. In Mendelson's etching, Straus emerges as a three-dimensional figure whose trust in his own benevolence may have had disastrous consequences for the diets of Americans, peddling a distorted belief that milk is a ticket to a child's long-term health. His

protective stance toward young Americans was the forerunner to later anxieties about the height and weight of the country's schoolchildren, anxieties that eventually led to the National School Lunch Act of 1946 and made milk cartons omnipresent in public-school cafeterias. Mendelson is at her best when she winnows her attention to focus on these charismatic personalities such as Cheyne and Straus; through these granular human portraits, the over-all thrust of her argument—that a series of human errors, rooted as often in sincere intentions as in arrogance, is partially what's to blame for the dominance of drinking milk-becomes especially lucid. In both "Stand Facing the Stove" and "Chow Chop Suey," Mendelson demonstrated an impressive ability to anchor any big-picture observations about food history in minute studies of such characters. "Spoiled" sometimes forces her into a different register, and there are stretches of this book in which colorful personalities can feel in short supply. Two successive chapters discussing technological developments-aimed at animals, like the kinds that turned cows into machines of secretion, and also those aimed at the product of milk itself, like homogenization or refrigeration—make for a tougher sit despite the rigorous research that buttresses them. Nor is Mendelson immune to the usual traps of academic writing. This book teems with the sort of throat-clearing that is endemic to the genre: "This chapter will examine," she writes more than once, with buttoned-up seriousness (variations of this phrase, like "this chapter explores" and "this chapter will discuss," appear as well), as if to forewarn her readers to brace themselves for the lecture lying in wait.

Early in "Spoiled," Mendelson labels her book polemical, which may strike some as a false promise. She is too diplomatic, her writing tinged with too even-keeled a spirit of generosity as her argument develops, for her book to register as such. Mendelson does not propose knocking fresh milk from its lofty perch and discarding it in the years to come. Rather, she seeks to gently put it on a level playing field with its alternatives. She mentions in passing how plant-based milks have shifted the landscape for American consumers, but she is more interested in products that have yet to gain broad awareness in the United States. She gestures, with great hope, toward the changing demographics of this country, noting how the nation's increasing diversity and the wealth of culinary traditions brought on by immigration might expose cooks and eaters to a vast array of dairy treatments beyond fresh milk. She extols, for example, the virtues of ititu, a smoked milk from southern Ethiopia, and the cheese gioddu, of Sardinia, derived from goats and sheep. She foresees that the United States will inch closer to becoming a multiracial nation in the years to come, thereby making the lactose intolerant among us a majority population rather than the sorry victims of genetic circumstance. It's easier, Mendelson argues, to accept this reality by opening one's mind to the culinary possibilities of dairy beyond American shores. Milk, the world has long understood, can be a source of gastronomic pleasure for many, not just a few.

### French dairy group Lactalis says profit falls as costs rise APR 21, 2023

https://dairynews7x7.com/french-dairy-group-lactalis-says-profit-falls-as-costs-rise/



actalis, the world's largest dairy producer, said on Thursday its sales had risen by 28.4% in 2022 to 28.3 billion euros (\$30.95 billion), but higher costs had pushed its annual net profit down by 14% to 384 million euros.

A spike in food prices, partly linked to Russia's invasion of Ukraine last year, has created tensions between food suppliers and retailers over pricing as governments try to curb inflation. "Despite significant competitiveness efforts and faced with the difficulty of passing on an increase of more than 20% in its expenses, the group's margins have been significantly eroded," the French group said in a statement.

Lactalis, privately controlled by the Besnier family, said its net profit margin had declined to 1.36% of sales in 2022 compared with 2.02% the previous year.

The group said it increased investments by 17% compared with the prior year to 750 million euros to modernise production sites and reduce its carbon footprint.

Its net debt fell last year to 6.455 billion euros, compared with 7.046 billion reported for 2021. (\$1 = 0.9143 euros)

## Soaring price of milk tells us about Britain's greedflation problem APR 21, 2023

https://dairynews7x7.com/what-the-soaring-price-of-milk-tells-us-about-britains-greedflation-problem/



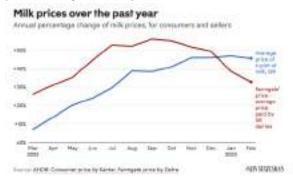
Whether you can afford it. In 2012, David Cam-

eron and George Osborne were described by Nadine Dorries (then a publicity-hungry backbencher) as "two posh boys who don't know the price of milk"; Cameron later began carrying a crib sheet of prices in an attempt to appear in touch. In a 2013 interview Boris Johnson flunked the milk question ("I can tell you the price of a bottle of Champagne," he later retorted) and Rishi Sunak struggled with the same question in 2021.

The milk question is becoming harder to answer because prices are changing very rapidly. This morning's new inflation figures show that the cost of the goods and services in the consumer price index (CPI) are still growing at a very high rate of 10.1 per cent, but still more worrying is that food price inflation is at its highest level for more than 45 years, with prices rising by 19.2 per cent in a year.

Milk is one of the fastest-growing prices in the inflation basket: milk price inflation was 38.4 per cent in the year to the end of March. Prices hit 95p a pint before the "spring flush" – higher milk supply generated from cows newly released into pasture – prompted supermarkets to make a 5p price cut last week.

There's a clearly intelligible story about why milk prices have risen: inflationary pressures have emerged from multiple sources. Labour is more expensive and input costs are higher – the cost of ammonium nitrate fertiliser more than doubled from August 2021 to August 2022, although it has now fallen back below pre-Ukraine war levels. Plot a graph of factory-gate milk prices against retail prices and you get what looks like a straightforward narrative: a hump in the prices charged by suppliers, followed by a hump in the prices charged in shops.



However, plot a graph of the price difference between the factory gate and your fridge, and a different story emerges. The mark-up on milk remains fairly static and then rises precipitously, as retailers make the most of the fact that consumers expect – and for the moment, tolerate – rising prices.

Paul Donovan, chief economist at UBS Global Wealth Management, says this is causing a third wave of inflation: first came the massive increase in demand for durable goods after the lockdown periods, as people spent their pandemic savings; next came the dramatic spike in energy costs caused by the war in Ukraine; and now, with those events present in consumers' minds, businesses across the economy have a "convincing story" to tell about why prices must rise.

"With the milk price," Donovan told me, "you have a genuine cost increase – the farm-gate milk price has risen – but the point about profitled inflation is that you pass on a genuine cost increase, and then you expand your margin on top of it. And that's what does appear to have been happening."

This may not always be evident in the profits of large companies, which can use a period of profit-driven inflation to absorb other costs. Nor is it solely the work of giant supermarkets. "Large companies are involved in this," says Donovan, "but the small corner-shops are also ramping up prices, because they can get away with it... the grandmother in the back kitchen is just as capable of price-gouging as a large company."

Some of the narrative used to justify price rises is flatly untrue, says Donovan, such as the idea that wage rises are contributing to inflation: "No one's facing real higher labour costs. Real wages have been catastrophically negative for two years."

Such narratives can only last for so long, however. "A period of profit-led inflation works when consumer demand is stable," says Donovan. "You can trade on the loyalty of your customers for a while, as long as you can convince your customers that you're really raising prices for reasons beyond your control."

One way in which the government could intervene would be to address the facts about the drivers of inflation more frankly. This is happening in other countries, such as the US and Sweden, where competition regulators are investigating companies' use of their market power to inflict "greedflation" on the economy. But George Dibb, head of the Centre for Economic Justice at the Institute for Public Policy Research (IPPR) think tank, says that while the UK's competition regulator is investigating price-gouging by petrol stations, "we haven't had the same focus on corporate profits in this country compared to the US or the EU. The attention is much more on wages than profits, even though the data would indicate that wages are not driving inflation right now."

Dibb says that in practice the "first line of defence" against greedflation has to be the welfare system, because steep rises in the prices of basic foods such as milk are felt most seriously by people on low incomes. But the windfall taxes levied on energy companies could also provide a model, "where there is a strong evidence of windfall profits, the government can legitimately take action to recoup some of those excess profits... It is hard to argue it's fair for supermarkets to be growing their profit margins at a time that people can't afford food."

#### Nepal's dairy sector flags severe milk shortage

#### APR 20, 2023

https://dairynews7x7.com/nepals-dairy-sector-flags-severe-milk-shortage/



epali dairy industries have requested the government to lift the restriction on imports of skimmed milk powder or full cream milk powder to avert possible shortages in the domestic market.

Prahlad Dahal, president of the Nepal Dairy Association, said the state-owned Dairy Development Corporation (DDC) and privately-owned Nepal Dairy Association and Dairy Industry Association have written to the Ministry of Agriculture and Livestock Development to lift the ban on imports of skimmed milk powder.

In 2017, Nepal imported milk worth \$18.7 million.

Nepal imposed import restrictions on skimmed milk powder in 2018 after imports started to balloon. It was briefly lifted in 2019.

But in April that year, farmers objected to the reopening of imports saying that they could not sell their milk. The government quickly placed a total ban on the import of skimmed milk powder from India.

Rajendra Prasad Yadav, executive director at the National Dairy Development Board, told the Post that three different organisations have requested the board to facilitate them, by allowing the imports as a temporary arrangement.

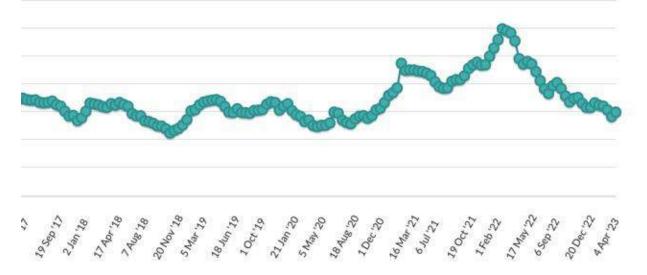
"The dairy associations have cited reasons such as Covid-19 and the prevalence of lumpy skin disease among the animals as the reasons behind the drop in milk output," said Yadav. "We are holding a discussion on Wednesday to know the details. We will also discuss possible steps to address the issues and prevent a crisis."

Dahal said they have been raising the issues for the past four months.

According to the report of Commercial Agriculture for Smallholders and Agribusiness, the consumption requirement for milk in Nepal is 92 litres per person annually, and the country produces 72 litres per person, fulfilling 80 percent of its requirements.

It is estimated that the average current deficit is around 550,000 litres of fluid milk per day with 10–20 percent variability during the lean season (March-July) and the flush season (August-February), the report said.

GDT bounce, but gains seen fragile on weak fundamentals APR 20, 2023 https://dairynews7x7.com/global-dairy-prices-bounce-but-gains-seen-fragile-on-weak-fundamentals/



Gibal dairy prices rebounded in Wednesday's auction, but a sustained recovery in rates that have tumbled by a third over the past year is not on the cards due to abundant supply and reduced buying by top importer China, analysts said.

The Global Dairy Trade price index, which is underpinned by prices from the auction held early Wednesday New Zealand time, rose 3.2% to \$3,362 a metric tonne, having hit their lowest level since 2020 earlier in April. That is still down, however, from the peak in March 2022 of \$5,065 a tonne.

Prices were first hit by the COVID-19 lockdown in China, which reduced demand from the world's largest importer. However, prices have failed to bounce back even as China has reopened, largely due to the global supply of dairy products remaining high. Susan Kilsby, agricultural economist at ANZ Bank in New Zealand, said in an April 14 note that demand from China was now improving but that recent purchase levels will not make up for the lack of buying earlier in the season.

"Whilst China was buying smaller volumes on GDT, buyers from other regions increased their purchases. However, we are now seeing reduced demand from regions such as South-East Asia and the Middle East, as they currently have plenty of stock on hand," she said.

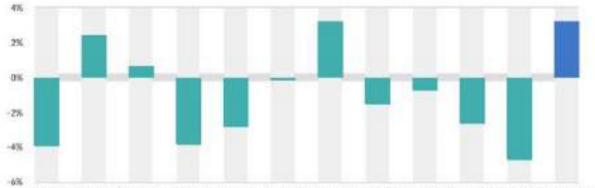
Economists and Fonterra Co-operative Group, the world's biggest dairy exporter, have steadily lowered what they expect farmers to receive for their milk in the year ending June 1. Fonterra now expects to pay to farmers between 7% and 14% less for their milk this year than they did in 2021-2022.

Dairy analysts at New Zealand exchange NZX said in a note on Wednesday that while there largely seems to have been a jump in demand at this global dairy auction, fundamentals have not changed with global milk production still growing. "It's possible that this event is an anomaly," it said.

#### Dairy prices rose, volumes fell at auction – GDT Surprises

APR 18, 2023

https://dairynews7x7.com/dairy-prices-rose-volumes-fell-at-auction-gdt-surprises/



1 Nov 22 15 Nov 22 6 Dec 22 20 Dec 22 3 Jan 23 17 Jan 23 7 Feb 23 21 Feb 23 7 Mar 23 21 Mar 23 4 Apr 23 18 Apr 23

nternational milk prices rose while volumes fell at this month's Global Dairy Trade (GDT) auction on Tuesday.

The GDT Price Index was up 3.2%, with an average selling price of \$3,362 per tonne. The index was down 4.7% at the previous auction held on April 4, with an average selling price of \$3,227, according to GDT Events.

A total of 22,713 tonnes of dairy products were sold at the latest auction, down about 4.7% from the previous sale, the auction platform said on its website.

Global Dairy Trade Event 330 concluded with the GDT Price Index up 3.2%

**Key Results** 

AMF index up 4.7%, average price US\$4,981/MT Butter index up 4.9%, average price US\$4,821/MT

Ched index up 5.7%, average price US\$4,411/MT SMP index up 7.0%, average price US\$2,776/MT WMP index up 1.0%, average price US\$3,089/MT 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's dairy trade.

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

#### Dairy suffering pain due to inflation

#### Apr 17, 2023

#### https://www.supermarketnews.com/dairy/dairy-suffering-pain-due-inflation

Dairy inflation worsened in the second half of 2022 with several categories hitting record highs in December, according to data from the International Dairy Deli Bakery Association (IDDBA) in conjunction with IRI. The dairy segment continued to see year-overyear price increases in January 2023, though the acceleration of inflation seen over the past few months has leveled off, IDDBA reported. The price per unit in January was \$3.84, which is a 26.2% increase vs. 2021 and 41% increase over 2019.

"The above-average inflation in dairy prompted the total refrigerated department to jump over the meat department in January sales," said Whitney Atkins, vice president of marketing for the IDDBA. "With an increase of 15.9%, the refrigerated department generated \$7 billion in January 2023."

Dairy represents the bulk of sales in the total refrigerated department. Through the combination of strong consumer demand and inflation, the 52-week dairy sales generated \$71 billion, an increase of 16.6% versus last year. However, the inflationary pressure on income really hit hard in January, when dollar sales still grew by double digits, but unit sales fell by 6.3%.

In the first month of 2023, milk did \$6 billion in sales, an 18.2% increase year-to-year, though a drop in units of 6/3%; eggs recorded \$1.1 billion in sales, an 83.6% increase year-over-year, with an 8.4% decrease in units; and cheese had \$997 million in sales, up 4.7% from the previous year, though down 4.4 units.

"Virtually all areas within dairy experienced decreased unit sales in January 2023, especially eggs, yogurt, processed cheese and milk," Atkins said. "In the 52-week view (through Jan. 29), all areas also trended behind year ago levels in units." Chris Mentzer, director of operations at Rastelli Market Fresh, with two locations in Marlton and Deptford, N.J., said that milk, butter, yogurt, and eggs are still doing well as they are essentials for many shoppers, but the number in this category is somewhat skewed since there have been major supply issues and inconsistencies already at the start of 2023.

"Eggs are a great example of how volatile the category can be; although we can blame a good portion of the egg price increases on the bird flu, there are also issues with how chickens are raised, which has decreased egg harvesting production," he said. "Also, with many lifestyle changes taking place over the past three years, many shoppers are now allocating their grocery spend to restaurants and take out foods, which is impacting year-over-year growth."

Maria Brous, director of communications for Lakeland, Fla.-based Publix Super Markets, noted while it's early in 2023, promotions, everyday value opportunities and private label are showing strength in the dairy department.

"We look at performance of categories and the various segments within each to identify trends," she said. "We adjust our assortment and space based on these trends. Milk, eggs, and butter are still items purchased by most customers. These items are a part of a large number of meal options and provide value. We see these as remaining very relevant to the customer in the coming years."

David J. Vana III, grocery category manager for Southern California grocer Gelson's Markets, said that today's consumers are increasingly focused on both the environmental impact and ethical implications of the dairy industry, which has given rise to an interest in animal-free dairy milk.

"It is amazing that we are at a point where we can essentially replicate the nutritional aspects

of real milk without a cow," he said. "Taste will always matter. I do think there is continued work to be done in that area, but there has already been a lot of progress."

Still, real dairy milk dominates the grocer's sales, comprising more than 70% of its unit velocities.

"As with many categories right now, dollars are up, and units are struggling," Vana said. "This has been especially true with dairy milk, as dairy prices are always fluctuating, and have been significantly impacted by cost increases recently." Savvy merchandizing helps

Because of the higher prices, Rastelli Market Fresh has catered to customers who look for deals and savings in the dairy department.

"The best way to market in our store is to offer discounts with multiple purchases," Mentzer said. "For example, butter two for \$6, yogurt four for \$5 or 10 for \$10, cream cheese two for \$5. Adding off-brand items at a lower price has also been very impactful, as we have been seeing large increases in this strategy."

Most consumers have an idea of what a quart of milk should cost them and it's readily available, so Vana noted if you don't have an attractive price point, they'll just go elsewhere.

"Aside from price, I believe that innovations like animal-free dairy and brands that emphasize humane/sustainable agricultural practices will continue to grow in popularity," he said. "When meeting with prospective new brands, I'm most intrigued by buzzwords like 'regenerative' and 'carbon-neutral.' Locally sourced is a good selling point for us as well. These seem to be things that I can market and will drive customer intrigue." Consumer education can help too

Although dairy products are considered staples for most consumers, marketing should still be done on a consumer education level.

"Consumers need to know the nutritional value of dairy products from fluid milk, milk-based commodities and cheese," Atkins said. "Additionally, we all love a good story. There are so many success stories starting with the farm story to the product story. This can often be heightened with the local tie in. How fun is it for a shopper to walk in and see their neighbor's and friend's products in their local grocery store?" Brous noted that customers are looking for value, but all efforts can't rely simply on promotions.

"Marketing efforts should leverage all opportunities to be successful, including weekly and digital promotions and social media interactions with the customer," she said.

In addition to tasting good, dairy products need to perform like the consumer expects—froth for their coffee, whip for their meringue, or to add creaminess to their béchamel.

"That's the beauty of the dairy category, it's versatile," Vana said. "The versatility of dairy means it will always be a mainstay, whether it comes from a cow, or not."

## Mandatory plant-based milk in schools? Here's why a Louisiana congressman is proposing it.

Apr 16, 2023

https://www.nola.com/news/politics/congress-seeks-alternatives-for-lactose-intolerant-students/article\_f39b0acc-da34-11ed-b77f-4f24efeadcbb.html

ASHINGTON — Citing statistics that show most students of color are sickened by the milk school cafeterias must serve, Louisiana Congressman Troy Carter has filed a bill to require schools to offer dairy alternatives during mealtimes.

Carter's is but one of several bills in Congress and nearly half of the state Legislatures across the U.S. this year addressing controversies about dairy milk and the 77-year-old federal system that reimburses schools for giving milk to their students.

"Listen, this is not anti-dairy," Carter said. "I am a milk drinker. I promote the benefits of milk: strengthening your bones and giving you vitamin D. But I will not promote it for children who cannot properly digest it. We have to have alternatives."

The Addressing Digestive Distress in Stomachs of Our Youth Act, called ADD SOY, would require schools to provide milk substitutes. Carter, Louisiana's only Democratic congressman, represents a district that stretches from New Orleans to north Baton Rouge. ADD SOY was cosponsored by Rep. Nancy Mace, a Republican from Charleston, South Carolina.

Pointing to data from the National Institute of Diabetes and Digestive and Kidney Diseases, Carter says rates of lactose intolerance are startlingly high: 65% of Latino students, 75% of Black students, and 90% of Asian students are unable to digest dairy milk.

"Lactose intolerance causes a range of health effects, from stomach pains to severe bloating to gas and diarrhea. This makes learning more difficult for children," Carter said.

On a more practical level, the non-fatal malady probably accounts for 30% of milk cartons ending up in the trash, Mace said, quoting a USDA report. "The federal government is wasting \$300 million of our tax dollars a year by mandating that every school kid getting nutrition assistance has a carton of cow's milk on the tray even though millions of them don't want it and get sick from it," she added.

It's more like 9 out of 10 cartons discarded in the East Baton Rouge Parish School System, Louisiana's second-largest school district, said Nichola Hall, the head of human services who is in charge of the school meals program in the system's 81 schools.

Part of the reason is that milk just isn't that popular with school kids.

"A high school student is not going to grab a bag of milk. It's not cool, doesn't look cute, right?" Hall said. But teachers and administrators also noticed a high level of lactose intolerance, increased school nurse visits and decreased academic focus associated with students having upset stomachs after meals.

Eighty-nine percent of East Baton Rouge's roughly 41,000 students are minorities. Baton Rouge schools serve 17,842 breakfasts and 24,023 lunches every day and are reimbursed \$7.5 million by the federal government.

Baton Rouge schools currently offer alternative drinks, mostly at their own expense. "It'd be great if there was an alternative that we're offering that would be more inexpensive, because the cost to us in providing different milk options is something that will impact how much we can do," Hall said.

An 8-ounce carton of soy milk costs a dollar at Wal-Mart while the same amount of low-fat milk, which the USDA reimburses, costs about 59 cents.

Legislatures in various states have sought in recent months to change dairy requirements in public school lunchrooms.

The state Senate in Pennsylvania, for instance, approved a bill last week that would return whole milk to school cafeterias, after the highcalorie, high-fat drink was replaced by reduced fat milk under rules set during the Obama administration.

On Capitol Hill, U.S. Rep. Elise Stefanik, R-N.Y., introduced a bill in February that would require lunchrooms to offer chocolate milk after New York City Mayor Eric Adams ordered that beverage removed from school trays.

Since 1946, the Richard B. Russell National School Lunch Act subsidized dairies by providing balanced meals to school-age children from lowincome households. USDA reports that 70% of children receiving free lunches through the National School Lunch Program are children of color. Over time, Congress tweaked the school lunches program. Last summer, the USDA approved temporary rules that allowed school districts the option of providing children with reduced or no lactose products, including the option of plantbased substitutes, but retained the milk requirement for children.

Shortly after the release of the temporary rules, a group of 28 civil rights and healthcare groups accused the USDA of "dietary racism" because the National School Lunch Program still only incentivizes dairy milk.

Carter and a group of Democratic representatives followed up in October with a letter to U.S. Agriculture Secretary Tom Vilsack, asking that the USDA reconsider its policy on milk alternatives for lactose intolerant children.

Dairy industry trade groups have kept a low profile on the issue and did not return calls seeking comment.

But the National Milk Producers Federation on March 21, shortly after Carter announced he would file his ADD SOY bill, issued a statement accusing the vegan, animal rights and plantbased lobbies of painting themselves as social justice crusaders to push sales of their products at the expense of dairy milk produced without lactose.

The rise of low- and no-lactose milk "doesn't get nearly the attention it deserves as a solution to lactose intolerance because the plant-based beverage-makers who shout loudest care more about their marketing pitch and ideologies than in actual nutrition solutions," the National Milk Producers Federation wrote.

The trade association based in a Washington suburb represents the dairy cooperatives that market about two-thirds of the nation's milk supply. Little of that milk comes from Louisiana, where only 70 dairies survive – down from more than 1,500 dairies in business four decades ago. Though his dairy constituency is much diminished, Louisiana Agricultural and Forestry Commissioner Mike Strain remains a staunch advocate for a carton of dairy milk on every student's tray. He cites study after study that shows children who drink milk are healthier and grow taller.

# **SURUCHI DAIRY DASHBOARD** A periodic audit and monitoring service to enhance your dairy business competitiveness

70+ Dairy Plants & Integrated Dairy Farms.



2051+ Certified Dairy Entrepreneurs Our data to solutions platform help you remove the barrier between data and action. So you can turn real time data from all touch points from farm to table into purposeful outcome for your dairy and for yourself.



# **Key Deliverables**

## Monthly Dashboard

- Quarterly Focus Reports
  - Quality Costing Productivity
  - Customer satisfaction
- Due Diligence
  - Expansion or Diversification

Contact Us : C-49, Sector-65, Noida, Uttar Pradesh, 201307 Ph.: +91 120-4370845, 4320845 E-mail: info@suruchiconsultants.com www.suruchiconsultants.com



Suruchi Consultants a Friend, Philosopher and Guide to over 2000 Dairy aspirants since 1990